

SILVERCREST MINES INC.
(formerly Strathclair Ventures Ltd.)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by management)

MARCH 31, 2004



NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the company have been prepared by and are the responsibility of the company's management.

The company's independent auditor has not performed a review of these 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 auditor.

SILVERCREST MINES INC.
(formerly Strathclair Ventures Ltd.)
INTERIM CONSOLIDATED BALANCE SHEETS

	March 31, 2004	December 31, 2003
ASSETS		
Current		
Cash and equivalents	\$ 3,049,775	\$ 2,802,185
Advances	14,777	21,540
Receivables	10,707	11,705
Prepaid expenses and deposits	<u>24,619</u>	<u>22,624</u>
	3,099,878	2,858,054
Equipment (Note 4)	40,098	40,974
Mineral properties (Note 5)	<u>491,283</u>	<u>303,676</u>
	<u>\$ 3,631,259</u>	<u>\$ 3,202,704</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ <u>55,696</u>	\$ <u>48,113</u>
Shareholders' equity		
Capital stock (Note 6)	3,786,924	3,162,200
Contributed surplus (Note 6)	1,279,404	1,022,584
Deficit	<u>(1,490,765)</u>	<u>(1,030,193)</u>
	<u>3,575,563</u>	<u>3,154,591</u>
	<u>\$ 3,631,259</u>	<u>\$ 3,202,704</u>

Nature of operations (Note 1)
Subsequent events (Note 12)

On behalf of the Board:

"J. Scott Drever" Director

"Barney Magnusson" Director

The accompanying notes are an integral part of these consolidated financial statements.

SILVERCREST MINES INC.
(formerly Strathclair Ventures Ltd.)
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2004

	2004	2003
GENERAL AND ADMINISTRATIVE EXPENSES		
Administrative services	\$ 15,250	\$ -
Amortization	945	-
Consulting	2,000	-
Foreign exchange	(469)	-
General exploration	5,580	-
Investor relations	4,804	-
Management fees	35,000	-
Office and miscellaneous	10,669	-
Professional fees	5,544	-
Regulatory and transfer agent fees	10,647	-
Rent and telephone	8,121	-
Shareholder communications	4,890	-
Stock-based compensation	365,692	-
Trade shows and conferences	6,172	-
	<hr/>	<hr/>
Loss before other item	(474,845)	-
OTHER ITEM		
Interest income	14,273	-
	<hr/>	<hr/>
Loss for the period	(460,572)	-
Deficit, beginning of the period	(1,030,193)	(2,200)
Deficit, end of the period	\$ (1,490,765)	\$ (2,200)
	<hr/>	<hr/>
Basic and diluted loss per share	\$ (0.02)	\$ (0.01)
	<hr/>	<hr/>
Weighted average number of shares outstanding	19,813,892	5,000,000

The accompanying notes are an integral part of these consolidated financial statements.

SILVERCREST MINES INC.
(formerly Strathclair Ventures Ltd.)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2004

	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period:	\$ (460,572)	\$ -
Items not affecting cash:		
Amortization	945	-
Stock-based compensation	365,692	-
Changes in non-cash working capital items:		
Decrease in receivables	998	-
Decrease in advances	6,763	-
Increase in prepaid expenses and deposits	(1,995)	-
Increase in accounts payable and accrued liabilities	7,583	-
Net cash used in operating activities	<u>(80,586)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of capital stock	<u>515,852</u>	<u>-</u>
Net cash provided by financing activities	<u>515,852</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment acquired	(2,066)	-
Mineral properties	<u>(185,610)</u>	<u>-</u>
Net cash used in investing activities	<u>(187,676)</u>	<u>-</u>
Increase in cash and equivalents during the period	247,590	-
Cash and equivalents, beginning of the period	<u>2,802,185</u>	<u>30</u>
Cash and equivalents, end of the period	<u>\$ 3,049,775</u>	<u>\$ 30</u>

Supplemental disclosure with respect to cash flows (Note 9)

The accompanying notes are an integral part of these consolidated financial statements.

SILVERCREST MINES INC.

(formerly Strathclair Ventures Ltd.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

1. NATURE OF OPERATIONS

The Company is engaged in the acquisition and exploration of mineral properties in Mexico, El Salvador and Honduras.

On May 23, 2003, the Company acquired all of the issued and outstanding common shares of NorCrest Silver Inc. ("Norcrest") (formerly 4023307 Canada Inc.), resulting in a reverse takeover by NorCrest (Note 3).

The amounts shown for mineral properties represent costs incurred to date and do not reflect present or future values. The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. Accordingly, the recoverability of these capitalized costs is dependant upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete their development and upon future profitable production.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual financial statements. The significant accounting policies follow that of the most recently reported annual financial statements.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries NorCrest, a company incorporated under the laws of the province of British Columbia, Compania Minera Maverick S.A. de CV, a company incorporated under the laws of Honduras, Nusantara de Mexico S.A. de C.V., a company incorporated under the laws of Mexico and Minera Atlas S.A. de C.V., a company incorporated under the laws of El Salvador. All significant inter-company transactions and balances have been eliminated upon consolidation.

Mineral Properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of that property sold.

The recorded cost of mineral exploration interests is based on cash paid, the value of share considerations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependant on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Deferred Exploration Costs

The Company defers all exploration costs relating to mineral properties and areas of geological interest until the properties to which they relate are placed into production, sold, abandoned or management has determined there to be an impairment. These costs will be amortized over the proven reserves available on the related property following commencement of production.

Stock-Based Compensation

Effective January 1, 2002, the Company adopted the new CICA Handbook Section 3870, "Stock-Based Compensation and Other Stock-Based Payments", which recommends that stock options granted to employees and non-employees be accounted for at fair value. This section also permits, and the Company adopted, the use of the intrinsic value-based method for valuing stock options granted to employees. Under this method, compensation cost for options granted to employees is recognized only when the market price exceeds the exercise price at date of grant. However, pro-forma disclosure of earnings and earnings per share as if the fair value method had been adopted is required.

During the previous fiscal year, the Company adopted, on a prospective basis, the fair value based method of accounting for all stock-based compensation.

Loss per Share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Existing stock options and share purchase warrants have not been included in the computation of diluted loss per share because to do so would be anti-dilutive.

Basic loss per share is calculated using the weighted-average number of common shares outstanding during the period.

Comparative Figures

Certain comparative figures have been reclassified to conform with the current periods' presentation.

3. ACQUISITION OF SUBSIDIARY

Effective May 23, 2003, the Company acquired all of the issued and outstanding common shares of NorCrest. As consideration, the Company issued 5,000,000 common shares which were placed in escrow in accordance with the policies of the TSX Venture Exchange ("TSX-V"). In addition, the Company paid \$75,000 and is also required to pay \$75,000 after a cumulative \$1,000,000 has been expended on exploration and development of the properties acquired through the acquisition of NorCrest and is required to pay a further \$225,000 upon receipt of a bankable feasibility study on any of the acquired properties.

SILVERCREST MINES INC.

(formerly Strathclair Ventures Ltd.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

3. ACQUISITION OF SUBSIDIARY (cont'd...)

To date, the Company has not expended the required balance on exploration and development of the acquired properties or received a bankable feasibility study on any of the acquired properties.

Legally, the Company is the parent of NorCrest. However as a result of the share exchange described above, control of the combined companies passed to the former shareholders of NorCrest. This type of share exchange is referred to as a "reverse takeover". A reverse takeover involving a non-public enterprise and a non-operating public enterprise with nominal net non-monetary assets is a capital transaction in substance, rather than a business combination. That is, the transaction is equivalent to the issuance of shares by NorCrest for the net liability of the Company, accompanied by a recapitalization of NorCrest. The net liability of the Company is charged to the consolidated deficit.

The statements of operations and cash flows for the period ended March 31, 2003 are those of NorCrest. The equity amounts are those of NorCrest, however, the number of shares outstanding at March 31, 2003 are the Company's.

The results of operations of the Company for the period from January 1, 2003 to March 31, 2003 were as follows:

GENERAL AND ADMINISTRATIVE EXPENSES

Amortization	\$	248
Consulting		3,000
Office and miscellaneous		2,817
Management fees		20,000
Professional fees		4,842
Regulatory and transfer agent fees		11,813
Rent and telephone		8,331
Shareholder communications		6,287
Travel and related		<u>726</u>
Loss for the period	\$	(58,064)

4. EQUIPMENT

	March 31,2004			December 31,2003		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment and furniture	\$ 10,754	\$ 1,598	\$ 9,156	\$ 9,432	\$ 1,126	\$ 8,306
Computer hardware	6,163	950	5,213	5,419	581	4,838
Computer software	2,596	1,623	973	2,596	1,299	1,297
Automotive	<u>28,453</u>	<u>3,697</u>	<u>24,756</u>	<u>28,453</u>	<u>1,920</u>	<u>26,533</u>
	\$ 47,966	\$ 7,868	\$ 40,098	\$ 45,900	\$ 4,926	\$ 40,974

SILVERCREST MINES INC.
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

5. MINERAL PROPERTIES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing to the extent granted.

	El Ocote Project, Honduras	Opoteca Project, Honduras	Other Projects, Honduras	El Zapote Project, El Salvador	Silver Angel Project, Mexico	March 31, 2004 Total
Balance beginning of the period	\$ 129,480	\$ 89,677	\$ 23,034	\$ -	\$ 61,485	\$ 303,676
Amortization	999	998	-	-	-	1,997
Assays	-	-	-	396	11,110	11,506
Casual Labour	-	790	-	-	-	790
Community Relations	209	208	-	-	-	417
Concession and Statutory	-	369	-	25,020	1,829	27,218
Drill Contractor Expense	17,230	-	-	-	-	17,230
Field Supplies	-	-	-	-	369	369
Geological Services	7,419	7,419	-	-	44,739	59,577
Land Rental and Storage	667	-	-	-	-	667
Maps and Photos	-	9	-	-	1,472	1,481
Miscellaneous	1,233	1,782	-	-	-	3,015
Office and Communications	2,033	2,033	-	-	186	4,252
Professional Fees	1,880	1,880	-	-	4,627	8,387
Project Management	-	-	-	8,750	8,750	17,500
Rent and Supplies	2,438	2,439	-	-	-	4,877
Travel	1,988	2,181	-	6,286	10,619	21,074
Vehicles	980	995	-	-	5,275	7,250
	<u>37,076</u>	<u>21,103</u>	<u>-</u>	<u>40,452</u>	<u>88,976</u>	<u>187,607</u>
Balance, end of the period	\$ 166,556	\$ 110,780	\$ 23,034	\$ 40,452	\$ 150,461	\$ 491,283

SILVERCREST MINES INC.

(formerly Strathclair Ventures Ltd.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

5. MINERAL PROPERTIES (cont'd...)

	El Ocote Project, Honduras	Arena Blanca Project, Honduras	Opoteca Projects, Honduras	La Pochota Project, Honduras	Silver Angel Project, Mexico	December 31, 2003 Total
Balance beginning of year	\$ 5,704	\$ 6,620	\$ 6,788	\$ 6,705	\$ -	\$ 25,817
Amortization	1,078	-	1,079	-	-	2,157
Assays	1,130	-	3,422	-	358	4,910
Casual labour	313	-	4,727	-	2,836	7,876
Community relations	15,414	-	4,136	-	-	19,550
Data acquisition	4,109	-	-	-	-	4,109
Engineering consulting	9,204	-	-	-	-	9,204
Facilities	11,802	626	6,153	626	-	19,207
Field supplies	2,173	-	801	-	3,940	6,914
Geological services	25,235	-	19,082	-	21,386	65,703
Land rental	308	-	332	-	-	640
Legal, filing and staking	3,668	3,668	11,127	3,669	20,769	42,901
Maps and photos	-	-	874	-	462	1,336
Metallurgical testing	5,344	-	-	-	-	5,344
Miscellaneous	59	270	-	270	-	599
Office and communications	6,301	196	3,299	195	-	9,991
Professional fees	850	-	850	-	-	1,700
Project management	19,083	-	15,917	-	-	35,000
Road improvements	1,169	-	737	-	-	1,906
Travel and accommodation	9,724	94	5,953	95	6,975	22,841
Vehicles	6,812	-	4,400	-	4,759	15,971
	<u>123,776</u>	<u>4,854</u>	<u>82,889</u>	<u>4,855</u>	<u>61,485</u>	<u>277,859</u>
Balance, end of year	\$ 129,480	\$ 11,474	\$ 89,677	\$ 11,560	\$ 61,485	\$ 303,676

El Ocote Project, Honduras

The Company acquired a 100% interest in certain properties located in Western Honduras by staking.

Arena Blanca Project, Honduras

The Company acquired a 100% interest in certain properties located in Western Honduras by staking.

Opoteca Project, Honduras

The Company acquired a 100% interest in certain properties located in West Central Honduras by staking.

La Pochota Project, Honduras

The Company acquired a 100% interest in certain properties located in South Western Honduras by staking.

SILVERCREST MINES INC.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

5. MINERAL PROPERTIES (cont'd...)*Silver Angel Project, Mexico*

The Company acquired a 100% interest in certain properties located in the Northern Sierra Madre range in Mexico.

El Zapote Project, El Salvador

The Company acquired a 100% interest in certain properties located in the Department of Santa Ana in northern El Salvador.

6. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Capital Stock	Contributed Surplus	Total
Authorized 100,000,000 common shares without par value				
Balance at December 31, 2002	4,104,046	\$ 30	\$ -	\$ 30
Warrants exercised	100,000	-	-	-
Balance at May 23, 2003	4,204,046	30	-	30
Common shares issued pursuant to acquisition of NorCrest (Note 3)	5,000,000	-	-	-
Short-form prospectus	2,070,000	552,827	130,273	683,100
Warrants exercised	774,500	366,260	(95,185)	271,075
Finders' fees				
Cash	-	(62,981)	-	(62,981)
Non-cash	50,000	(38,735)	55,235	16,500
Finders' warrants exercised	394,000	182,587	(52,567)	130,020
Private placement	1,900,000	721,317	228,683	950,000
Finders' fees				
Cash	-	(26,875)	-	(26,875)
Non-cash	88,750	(20,493)	64,868	44,375
Finders' warrants exercised	16,000	13,612	(3,852)	9,760
Private placement	1,431,927	1,378,489	411,420	1,789,909
Finders' fees				
Cash	-	(88,908)	-	(88,908)
Non-cash	9,630	1,370	10,668	12,038
Share issuance costs	-	(236,050)	-	(236,050)
Stock-based compensation	-	-	273,041	273,041
Conversion of special warrants	2,500,000	325,000	-	325,000
Warrants exercised	350,000	83,500	-	83,500
Stock options exercised	25,000	11,250	-	11,250
Balance at December 31, 2003	18,813,853	3,162,200	1,022,584	4,184,784

SILVERCREST MINES INC.

(formerly Strathclair Ventures Ltd.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

6. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd...)

	Number of Shares	Capital Stock	Contributed Surplus	Total
Warrants exercised	1,266,077	580,299	(108,872)	471,427
Stock options exercised	92,500	44,425	-	44,425
Stock based compensation	-	-	365,692	365,692
Balance at March 31, 2004	20,172,430	\$ 3,786,924	\$ 1,279,404	\$ 5,066,328

During the current period, 1,266,077 warrants were exercised for proceeds of \$471,427. As a result, \$108,872 was reallocated to capital stock from contributed surplus.

In addition, 92,500 common shares were issued on the exercise of stock options for proceeds of \$44,425.

Escrow shares

Included in issued capital stock are 3,894,230 common shares of the Company that are subject to the time release escrow provisions of the TSX-V. In addition 50,480 common shares are subject to another escrow agreement and may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

7. STOCK OPTIONS AND WARRANTS**Stock options**

The Company has a stock option under which it is authorized to grant stock options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The exercise price of each option equals the market price of the Company's stock as calculated on the date of the grant. The options can be granted for a maximum term of 5 years.

At March 31, 2004, the Company had outstanding stock options, enabling holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
1,050,000	\$0.45	June 16, 2008
750,000	1.41	March 24, 2009

SILVERCREST MINES INC.
(formerly Strathclair Ventures Ltd.)
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

7. STOCK OPTIONS AND WARRANTS (cont'd...)

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price
As at December 31, 2002	-	-
Granted	1,167,500	\$ 0.45
Exercised	<u>(25,000)</u>	0.45
As at December 31, 2003	1,142,500	0.45
Granted	750,000	1.41
Exercised	<u>(92,500)</u>	.48
As at March 31, 2004	1,800,000	\$ 0.85
Number of options currently exercisable	<u>1,500,000</u>	<u>\$ 0.83</u>

Stock-based compensation

The Company granted 750,000 stock options of which 625,000 stock options vested during the current period, resulting in stock-based compensation expense under the Black-Scholes option pricing model of \$358,678, which was recorded as contributed surplus on the balance sheet. During the current period, an additional 17,500 stock options vested resulting in stock based compensation expense of \$6,994. The weighted average fair value of the stock options granted during the current year was \$0.49 per share.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options and share purchase warrants issued during the period:

Risk-free interest rate	2.54%
Expected life of options/warrants	2 years
Annualized volatility	98%
Dividend rate	0.00%

Warrants

At March 31, 2004, the Company had outstanding share purchase warrants, enabling holders to acquire shares as follows:

SILVERCREST MINES INC.

(formerly Strathclair Ventures Ltd.)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2004

7. STOCK OPTIONS AND WARRANTS (cont'd...)

Number of Shares	Exercise Price	Expiry Date
132,500	\$ 0.35	May 23, 2004
If unexercised, then at	0.38	Nov 23, 2004
840,398	0.61	Aug 29, 2004
If unexercised, then at	0.70	Aug 29, 2004
1,470,000	0.26	Dec 16, 2004
24,450	1.25	Dec 18, 2004
1,379,557	1.40	Dec 18, 2004
62,000	1.40	Dec 30, 2004

8. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

- a) Paid \$35,000 (2003 - \$Nil) for management fees to companies controlled by two directors.
- b) Paid \$17,500 (2003 - \$Nil) for project management fees to an officer of the Company which are included in deferred exploration costs.
- c) Paid \$Nil (2003 - \$3,000) for consulting fees to a former director of the Company which was paid prior to May 23, 2003.
- d) Recorded \$358,698 (2003 - \$Nil) for stock-based compensation expense on stock options granted to directors and officers.
- e) Paid or accrued \$3,544 (2003 - \$Nil) for legal fees which were included in professional fees and \$Nil (2003 - \$4,842) for legal expenses which was paid prior to May 23, 2003 to a law firm of which an officer of the Company is a partner.

Included in accounts payable and accrued liabilities at March 31, 2004 is \$8,270 (2003 - \$Nil) due to a law firm of which an officer of the Company is a partner.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2004	2003
Cash paid during the year for interest	\$ -	\$ -
Cash paid during the year for income taxes	\$ -	\$ -

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (cont'd...)

Significant non-cash transaction for the three month period ended March 31, 2004 was the Company recording stock-based compensation expense of \$365,692 relating to stock options granted. There were no significant non-cash transactions for the three month period ended March 31, 2003.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and equivalents, advances, receivables, deposits and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

11. SEGMENTED INFORMATION

Industry information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by management, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the resource sector. The Company's mining operations are centralized whereby management of the Company is responsible for business results and the everyday decision making.

The segments' accounting policies are the same as those described in the summary of significant accounting policies except that expenses and other items are not allocated to the individual operating segments when determining profit or loss, but are rather attributed to the corporate head office.

Segmented assets by geographical location are as follows:

	Canada	Honduras	Mexico	El Salvador	Total
March 31, 2004					
Current assets	\$ 3,063,290	\$ 10,402	\$ 26,186	\$ -	\$ 3,099,878
Equipment	11,991	28,107	-	-	40,098
Mineral properties and deferred exploration costs	-	300,370	150,461	40,452	491,283
	<u>\$ 3,075,281</u>	<u>\$ 338,879</u>	<u>\$ 176,647</u>	<u>\$ 40,452</u>	<u>\$ 3,631,259</u>
	Canada	Honduras	Mexico	El Salvador	Total
December 31, 2003					
Current assets	\$ 2,857,614	\$ 440	\$ -	\$ -	\$ 2,858,054
Equipment	10,870	30,104	-	-	40,974
Mineral properties and deferred exploration costs	-	242,191	61,485	-	303,676
	<u>\$ 2,868,484</u>	<u>\$ 272,735</u>	<u>\$ 61,485</u>	<u>\$ -</u>	<u>\$ 3,202,704</u>

12. SUBSEQUENT EVENTS

The following events occurred subsequent to March 31, 2004:

1. The Company issued 201,800 shares for proceeds of \$88,648 pursuant to the exercise of warrants.