UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-KSB

(Mark One)

[X] Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended August 31, 2003, or

[ ] Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ______ to _______

NEVADA STAR RESOURCE CORP.
(Exact name of registrant as specified in its charter)

Yukon Territory, Canada	**98-0155690**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Suite 500 – 625 Howe Street	
Vancouver, British Columbia, Canada,	**V6C 2T6**
(Address of principal executive offices)	(Zip Code)
(Registrant's telephone number, including area code)	**604-688-0833**

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
None	**None**

Securities registered under Section 12(g) of the Exchange Act:
None
(Title of class)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes__X__ No___

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

State issuer's revenues (net loss) for its most recent fiscal year. $(380,320)

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of a specified date within 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.) [Amended in release No. 33-7419 (¶85,938), effective June 13, 1997, 62 F.R. 26387.] $22,221,374 based on the last trade of $0.37 on December 5, 2003

Note: If determining whether a person is an affiliate will involve an unreasonable effort and expense, the issuer may calculate the aggregate market value of the common equity held by non-affiliates on the basis of reasonable assumptions, if the assumptions are stated.

(ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDING DURING THE PAST FIVE YEARS)

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes___ No___ **Not Applicable**

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date. 72,659,657 at the date hereof

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference, briefly describe them and identify the part of the Form 10-KSB (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) any annual report to security holders; (2) any proxy or information statement; and (3) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 ("Securities Act"). The list documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1990). None

Transitional Small Business Disclosure Format (check one): Yes_____ No __X

PART I

ITEM 1. DESCRIPTION OF BUSINESS

Business Development

Nevada Star Resource Corp. (the "Company") was incorporated under the laws of the Company Act of British Columbia, Canada on April 29, 1987. On June 17, 1998 the Company was continued into the Yukon Territory under Section 190 of the Yukon Business Corporation Act. The Company conducts its operations through its wholly-owned subsidiaries, Nevada Star Resource Corp. (U.S.), a Nevada corporation and M.A.N. Resources, Inc. ("MAN"), a Washington corporation.

On July 3, 2002, the Company acquired MAN, a private company controlled by two directors of the Company. MAN was incorporated on August 25, 1998 pursuant to the laws of the State of Washington, U.S.A. Its business was the exploration and development of mineral properties. See "MAN Project, Alaska".

The executive offices of the Company are located at Suite 500, 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6, Tel: (604) 688-0833. The Company also has a Seattle office located at 10735 Stone Avenue North, Seattle, Washington, USA, 98133, Tel: (206) 367-2525. The registered and records office of the Company is located at Suite 300, 204 Black Street, Whitehorse, Yukon, Y1A 2M9.

Unless otherwise noted, all dollar amounts are quoted in Canadian Dollars. The noon buying rates in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for the conversion of Canadian dollars into United States dollars on December 5, 2003 was $0.7666.

Business of the Issuer

The Company is engaged in the business of acquiring, exploring and developing mineral properties, primarily those containing nickel, platinum group elements (PGE's), copper, gold, silver and associated base and precious metals. All of the Company's properties are currently in the exploration stage which is the stage of determining feasibility for development. No reserves have been identified on any of the Company's properties.

Where management determines that it is in the best interest of the Company, partners will be sought to further the development of certain properties. The Company's principal properties are the MAN Project in the State of Alaska, the Gold Hill Property in the State of Nevada and the Milford District Property in the State of Utah.

The Company has a history of losses and no revenues from operations. The Company's capital needs have historically been met by the issuance of securities (either through private placements, the exercise of stock options, shares for debt, property or other assets) or shareholder loans. The Company has sufficient funds to satisfy cash demands for general and administrative expenses and property holdings costs for the next 12 months. To fund an exploration program in 2004, the Company is examining two options. One would be to option all or a part of the MAN Project to a major mining company who would then finance the required exploration. To that end, the Company is in discussion with a number of companies. Alternatively, the Company is examining the feasibility of making an offshore private placement of its common stock to certain Canadian investors under a Regulation S exemption from registration under the Securities Act or to certain accredited investors in the United States pursuant to Rule 506 of Regulation D of the Securities Act. There can be no assurance that the Company will successfully complete this offering. See "Management's Discussion and Analysis or Plan of Operation".

Employees

The Company has no paid employees, nor does it have any oral or written consulting agreements with any of its directors or officers. The Company engages directors, officers and contractors from time to time to supply work on specific corporate business and exploration programs.

During the year ended August 31, 2003, KGE Management Ltd., a private company beneficially owned by Gerald G. Carlson, Director of the Company, was paid a fee of $2,500 per month for management services which includes the day-to-day operation of the Company and overseeing exploration programs. This arrangement was terminated by mutual consent on November 1, 2003. Stuart Havenstrite, a Director of the Company, also provides geological consulting services to the Company from time to time on an as required basis.

Consultants are retained on the basis of ability and experience. There is no preliminary agreement or understanding existing or under contemplation by the Company (or any person acting on its behalf) concerning any aspect of the Company's operations pursuant to which any person would be hired, compensated or paid a finder's fee.

Competition

There is aggressive competition within the minerals industry to discover and acquire properties considered to have commercial potential. The Company competes for the opportunity to participate in promising exploration projects with other entities, many of which have greater resources than the Company. In addition, the Company competes with others in efforts to obtain financing to explore and develop mineral properties.

Government Regulation and Environmental Concerns

The Company is committed to complying and, to its knowledge, it is in compliance with all governmental and environmental regulations. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. The Company cannot predict the extent to which future legislation and regulation could cause additional expense, capital expenditures, restrictions, and delays in the development of the Company's U.S. properties, including those with respect to unpatented mining claims.

The Company's activities are not only subject to extensive federal, state and local regulations controlling the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of the Company's properties, the extent of which cannot be predicted. Also, as discussed above, permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. In the context of environmental permitting, including the approval of reclamation plans, the Company must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Company is not presently aware of any specific material environmental constraint affecting its properties that would preclude the economic development or operation of any specific property.

If the Company becomes more active on its U.S. properties, it is reasonable to expect that compliance with environmental regulations will increase costs to the Company. Such compliance may include feasibility studies on the surface impact of the Company's proposed operations; costs associated with minimizing surface impact, water treatment and protection, reclamation activities, including rehabilitation of various sites, on-going efforts at alleviating the mining impact on wildlife. and permits or bonds as may be required to ensure the Company's compliance with applicable regulations. It is possible that the costs and delays associated with such compliance could become so prohibitive that the Company may decide to not proceed with exploration, development, or mining operations on any of its mineral properties.

Reports to Security Holders

You may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N. W., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1 (800) SEC-0330. The SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding the Company that is filed electronically with the SEC.

ITEM 2. DESCRIPTION OF PROPERTY

The Company's executive offices are located in rented premises of approximately 1,150 square feet at Suite 500 – 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6, telephone (604) 688-0833. The Company rents this space from Copper Ridge Explorations Inc. ("Copper Ridge"), a public company in which Gerald G. Carlson, Director of the Company, is a director and officer. The Company's rent is $1,500 per month plus tax for 50% use of the office space plus the reimbursement of 50% of the cost for equipment rental, telephone lines and office supplies. The Company began occupying this facility in February 2002 and it is considered adequate for current needs. There is no lease or rent agreement between Copper Ridge and the Company.

The Company also has a Seattle office of approximately 1,000 square feet located at 10735 Stone Avenue North, Seattle, Washington, USA, 98133, Tel: (206) 367-2525. The Company uses this space free of charge from Monty Moore, Chairman and CEO of the Company. The Company began occupying this facility in 1993 and it is considered adequate for current needs. There is no lease or rent agreement between Monty Moore and the Company.

The Company's principal properties are the MAN Project in the State of Alaska, the Gold Hill Property in the State of Nevada and the Milford District Property in the State of Utah.

MILFORD DISTRICT, UTAH

Property Location and Accessibility

The Milford District property (referred to as the OK Copper Mine and the Beaver Lake Property in the consolidated financial statements) consists of 55 patented mining claims, 232 unpatented mining claims, five Utah state leases, and 93 acres of fee land, aggregating approximately 8,200 acres. The Company has two exploration targets in the district: the Cortex and OK properties.

The property lies within approximately10 miles northwest of the town of Milford in Beaver County, Utah. Milford has a population of 1,200 and is a major division point on the Union Pacific Railroad. Milford has typical facilities for a town of its size. The Company owns a railroad spur right-of-way 9 miles east of the property where sulfuric acid can be received and trucked to the property and where copper cathodes can be loaded and shipped to market. Electric power adequate to service the processing facility is available 5 miles from the property.

The property can be accessed from Milford by traveling 4 miles west-northwest on Utah State Highway 21, then 6 miles north-northwest on a graveled county-maintained road. Access is excellent year round.

The property lies at an elevation of 5,000 to 6,200 ft. in moderately rugged hills surrounded by alluvial pediment. Climate is typical of the Great Basin: temperatures range from 0°F to 100°F, with average highs in the summer of 80°F; lows in the summer of 50°F; average highs in winter of 40°F; and average lows in winter of 25°F. Precipitation averages 10 inches annually with approximately 50% coming as snow.

History

The Milford district was organized in 1872, but had only small and intermittent production prior to 1962. Most of the early production was from the Old Hickory tungsten mine and the Montreal iron mine. The pre-1962 production had a total value of less than $3 million.

Early in the 1960's, a group of former US Steel geologists recognized that copper in this district was associated with magnetite. An extensive ground magnetic survey of the district showed several strong magnetic anomalies, most of them buried beneath surface cover. Subsequent drilling demonstrated that most of the anomalies were associated with significant copper deposits.

Several companies partially mined the deposits delineated by the drilling. These deposits included the Bawana deposit, located on ground presently controlled by other parties, and the Hidden Treasure and Maria deposits, now optioned to the Company. A flotation plant was constructed to process the ores and later, an acid leach circuit was added. The copper concentrate and cement copper produced from the leaching process were sold to copper smelters for final processing.

The OK property was mined and, according to published figures, produced 900,000 tons of copper ore grading 1.25% copper from 1967 until 1974. The ore was processed at the Essex mill, located 3 miles west-northwest of Milford. The mill was a combination flotation and acid vat leach facility sized at 850 tons per day, built to process OK intrusion-hosted ores as well as skarn ores from the Cortex property. Production from the entire district is reported as 22,300 tons of copper contained in 2,010,000 tons of ore grading 1.59% copper.

The property lay idle until the early 1990s, when Cortex acquired the Hidden Treasure Mine and deposit, Maria mine and deposit, Copper Ranch deposit, and surrounding ground. Cortex conducted confirmation drilling on the Copper Ranch deposit and did extensive sampling and metallurgical test work on the Maria deposit. The copper appears to be acid leachable in the Maria ores. Cortex agreed in late 1997 to sell the property to Nevada Star.

The OK properties lay idle until the early 1990's when Centurion acquired the OK Mine and surrounding ground and conducted confirmation drilling on the OK mine. The program also drilled eastward along trend defining additional copper mineralization in the vicinity of the Mary I mine about one mile to the east. Centurion optioned the property to the Company in late 1997.

Geology

Much of the geologic work and geologic interpretations done in the district were conducted by Peter Joraleman in the 1970's and reported in <u>Copper Resources of the Rocky District, Beaver County, Utah, 1980,</u> prepared for the Toledo Mining Company. Much of the discussion given below is from this report and augmented by more recent data compiled by the Company and Mine Development Associates ("MDA") based in Reno, Nevada.

The Milford district lies within an east-trending belt of altered granite to diorite intrusives. Mineralization is dated at Cretaceous through late Tertiary. Regional controls on mineralization are thought to be deep-seated crustal structures. The area is on the eastern leading edge of the Late Mesozoic to Early Tertiary Sevier thrust system with the mountains comprising the hanging wall of the eastern Mineral Mountains complex. The Mineral Mountains complex consists of a thick succession of Paleozoic through mid-Mesozoic carbonate and clastic rocks. Geology of the Milford district is structurally complex, as it has been subjected to compression and later extension from Mesozoic through the Tertiary.

Oligocene volcanic rocks consisting of andesite flows and pyroclastic rocks were extruded over much of the area, and these rocks were then intruded by a series of Oligocene rocks related to the Mineral Mountain batholith.

The Southern corner of the project is underlain by a fine to medium-grained granodiorite stock composed of plagioclase, quartz, and biotite with minor orthoclase, hornblende, and magnetite. There are also small outcrops of quartz monzonite of the Rocky Mountain Stock.

To the north and northeast of the OK mine, there are several altered porphyritic dikes which contain abundant magnetite and chalcopyrite within a zone of disseminated and vein-controlled mineralization. Two small outcrops of quartz monzonite occur west of the OK within the volcanic rocks.

Mineral Deposit Descriptions

Copper deposits in the Milford district occur as four distinct types:

Type 1 copper deposits occur in pipe-shaped deposits entirely contained in silicified quartz monzonite or granodiorite; the best example of this is the OK deposit. Nearby on trend is the Mary I deposit which is similar though less silicified. Chalcopyrite and bornite occur with minor molybdenite. About 75% of the sulfide minerals have been oxidized to tenorite, chrysocolla, malachite and azurite. Gold and silver are present, but are not of economic significance when acid leaching is used to recover the copper.

The OK deposit has been explored with nearly 200 holes drilled by several operators from 1964 until 1997. The OK deposit is approximately 1,200 ft. long, averages 100 ft. wide, and has been delineated by drilling to a depth of up to 500 ft. Preliminary pit designs by the Company take the pit to a depth of 400 ft.

The Mary I deposit has been explored with approximately 50 drill holes. The deposit, as presently defined, is 600 ft. long, 150 ft. wide and has been delineated by drilling to a depth of 150 ft.

These deposits have been delineated on approximately 100 ft. spacing or closer though they have not been completely drilled out.

Type 2 copper deposits occur in bodies of garnet-magnetite skarn adjacent to quartz monzonite. These deposits form elongated tabular zones of irregular orientation. Deposits of this type include the Hidden Treasure, Maria, and Copper Ranch deposits. These deposits are not as continuous as Type I and require closer drill hole spacing.

Type 3 deposits consist of remobilized copper occurring in sediments and associated with calcite. Currently the Sunrise deposit is the only known example of this type. The Sunrise deposit is not related to skarn mineralization, and is low in magnetite. The Sunrise deposit occurs partly on Cortex property and partly on claims controlled by others.

Type 4 deposits, which are of no apparent economic importance, are iron deposits consisting of magnetite skarn with no associated copper.

Feasibility Study

In 1998, the Company commissioned a feasibility study to evaluate the Company's properties in the Milford District. Three independent engineering companies evaluated the property. The Company spent approximately $800,000 on the studies including data confirmation, ore reserve calculation, pit design, metallurgical test work, engineering studies and capital cost estimation. The feasibility study concluded that "open pit mining, acid leaching and solvent extraction-electrowinning can produce LME grade A cathode copper at the property and provide positive economic returns at sale prices above $0.75 per pound copper.

Terms of Acquisition

By an agreement dated November 7, 1997 between the Company and Centurion Mines Corporation (the "Vendor"), the Company purchased copper properties in four townships in Beaver County, Utah. Consideration was the issuance of two million shares of Common Stock of the Company over five years, which shares have been issued. The Vendor also retains a 12% net profits interest to apply to all copper production coming from any claims. Deferred exploration and development expenditures of $2,180,055 have been incurred to date by the Company on the property. A finder's fee of 150,000 shares at a deemed price of $0.65 per share was paid in Fiscal 1998.

By an agreement dated November 4, 1997 between the Company and Cortex Mining & Exploration Co. Inc. (the "Vendor"), the Company purchased mining claims in Beaver County, Utah. Consideration is 2 million shares of Common Stock of the Company issued in two tranches: one million shares upon closing (issued) and another one million (issued December 21, 2000) upon the Company's successful completion of a favourable feasibility study or upon commencement of commercial production. The Vendor also retains a 2% net smelter return royalty which will not exceed US $3 million in aggregate. Total royalties on any production will not exceed 4%. The Company also granted Cortex one million warrants for the Company's shares of Common Stock exercisable at U.S. $1.00 per share, which have since expired. A finder's fee of 75,000 shares at a price of $0.65 each was paid in Fiscal 1998.

Option Agreement

On January 17, 2002, the Company signed an option to purchase agreement with Western Utah Copper Company ("WUCC") of Park City, Utah granting an exclusive three-month option to WUCC to acquire all of the Company's mining claims located in Beaver County, Utah. On April 12, 2002, WUCC notified the Company that it was exercising its right to extend the option term on the Milford District Property for an additional two months by payment to the Company of 35% of the documented holding costs during the first three months of the option, or US $4,163. At August 31, 2003, the option has expired however WUCC has expressed an interest in continuing in the project and the Company has expressed its willingness to renegotiate the agreement.

GOLD HILL, NEVADA

The Gold Hill Property is located six miles north of the Round Mountain Gold Mine, about 48 miles northeast of Tonopah, Nevada. The Round Mountain Mine is presently producing 750,000 ounces of gold per year and has a reserve of approximately four million ounces.

The Gold Hill Property consists of 104 unpatented claims (3 placer and 101 lode) of which 53 were optioned from Mr. Buzz Manley of Beatty, Nevada in April, 1995. Fifty-four claims were staked by the Company but are presently held under a different name. Since that time, the Company has been accumulating data, reviewing the data and geology, and has performed a resource and reserve analysis on the Gold Hill gold deposit. The object of the work was to define the needs of the project for the next phase of exploration.

History

Production in the 1930's showed a sharp increase in the Round Mountain district, principally reflecting production from the Gold Hill Mine. There was also some sporadic production between 1950 and 1964. Total production at Gold Hill was $987,000 at $35 per ounce or about 28,000 ounces. Others report production of over 34,000 ounces of gold and 200,000 ounces of silver. Grades are estimated to have been about 0.3 oz Au/ton. All of this production came from the Gold Hill vein and to a lesser extent, associated veins.

Gold Hill is currently under lease by the Round Mountain Gold Company ("RMGC"), a joint venture of Echo Bay Mining and Barrick Gold Corporation. They have conducted extensive exploration including surface mapping, geochemistry (rock, soil vegetation), geophysics (resistivity, gravity, and IP), and a structural evaluation. Their work has culminated in drilling, metallurgical test work, and a pre-feasibility study including a resource and reserve evaluation that is currently underway.

Geology

The host rock at Gold Hill includes densely welded rhyolite tuff of the Mount Jefferson Caldera. The Mount Jefferson tuff lies over the Moores Creek tuff which in turn lies over the Round Mountain tuff, the host of the Round Mountain mine. These Tertiary volcanic rocks overlie a volcanic mega-breccia that, in turn, overlies Paleozoic metasediments. The Mount Jefferson Tuff has been divided by previous workers (principally L. McMasters of Homestake) into the upper gray tuff and maroon upper tuff. There also exist quartz latite dikes, a crystal tuff which may be a part of the Mount Jefferson tuff, lithic tuffs, waterlain tuff and Tertiary conglomerates. Though these units were mapped by McMasters, they were not evident in the percussion or core drill logs. MDA feels that if the resource is to be well-defined, these units must be distinguished and separated for recognition of the structure in the areas. The youngest rock in the area is Quaternary-Tertiary pediments. These units are generally composed of cobbles of the younger maroon tuff and are always completely barren.

The alteration in the area ranges from non-existent to propylitic to argillic to advanced argillic to silicified. It appears that the gold mineralization is related to both quartz veining in argillized rock and silicification. The principal feature in the area is the Gold Hill vein and its sub-parallel veins. These all strike N75°W and dip variably, but steeply. In general, the veins dip southerly near the surface but dip back to the north at depth. These veins are banded quartz, but can also be composed of crushed quartz and rhyolite. They branch and coalesce and where two periods of veining intersect, higher-grade pods generally exist. The two periods of quartz mineralization are younger, grayer, dense and banded chalcedonic quartz which contains gold of generally higher grades. The Silver vein, part of the later mineralization, is lower-grade, dips steeply to the north at the surface and intersects the Gold Hill vein at about 300 to 400 ft in depth. Where these veins intersect they produce high-grades of gold and silver. The entire zone is up to 400 ft wide and is 1,500 ft long, extending from beyond the range front fault on the west (where it remains open) to near Toquima shaft on the east. The mineralization extends to the west of the range front fault where one hole hit approximately 80 ft of about 0.11 Au/ton.

The Structure of the area is difficult to define due to the lack of distinct lithologic units. Aside from the prominent N75°W mineralized structure there are north-trending basin and range faults that drop the stratigraphy to the west. The general dip of the units is difficult to determine but McMaster (oral comm., 1995) claims that they dip westerly. Mineralization which is apparently stratigraphically-controlled suggests a southwest dip. Previous workers have recognized two styles of mineralization; near vertical structurally-controlled mineralization, including veining, and shallow-dipping strata-bound mineralization.

The principal mineralization is the Gold Hill and associated veins. These were exploited starting in the 1930's. The vein width averages several feet and had sharp contacts with the wall rock. In other areas, the material can best be described as a stockwork or sheeted zone filled with quartz veinlets. It is difficult to further define the mineralization with the available information, though it is believed to also be disseminated at least in part. In several locations low-temperature banded silica was encountered which may represent at-surface deposits. These are generally barren of precious metal mineralization. The mineralization is found in both advance argillic rocks, as well as silicified material.

Terms of Acquisition

By an amended agreement dated February 14, 2000 between the Company and Everett L. Manley (the "Vendor"), the Company has an option to purchase 53 mining claims in the Round Mountain Mining District, Nye County, Nevada located four miles north of Round Mountain in consideration of $1,010,000 U.S. over 10½ years in annual payments on October 1 of the following years:

1997, 1998, 1999 (paid)	$ 25,000
2000 (paid)	$ 10,000
2001	$ 5,000
2002	$ 10,000
2003	$ 20,000
2004	$ 50,000
2005	$ 100,000
2006	$ 664,000

Round Mountain Gold Corporation Lease

By an agreement dated May 2, 2000 between the Company and Round Mountain Gold Corporation ("RMGC"), a 50:50 joint venture between Kinross Gold Corporation and Barrick Gold Corporation, the Company has leased to RMGC a certain interest in the property. RMGC will assume the remaining payment obligations to the vendor and make the following payments (U.S. funds) to the Company:

$ 40,000	upon execution of the agreement (paid)
$ 10,000	on May 2, 2001 (paid)
$ 25,000	on May 2, 2002 (paid)
$ 50,000	on May 2, 2003 (paid)
$ 50,000	on May 2, 2004
$ 100,000	on May 2, 2005 and annually thereafter while the agreement is in effect.

Terms of the RMGC agreement include the following:

(i) RMGC will pay the Company $275,000 U.S. in minimum royalty payments over the next 5 years, including $40,000 U.S. immediately and thereafter will pay annual minimums of $100,000 U.S. The minimum royalty payments will apply toward net production royalties of 2% when gold prices exceed $350 U.S. per ounce (1% when gold prices are below $350 U.S. per ounce). Royalty payments are capped at $10 million U.S.

(ii) RMGC will expend $1 million U.S. on exploration, including $100,000 U.S. in each of the first 2 years, and accelerated annual expenditures thereafter.

(iii) RMGC has the exclusive option to purchase the Gold Hill properties at any time while the agreement is in effect.

(iv) The agreement will be in effect for 10 years and can be extended for further 10-year terms.

During the year ended August 31, 2003, RMGC informed the Company that it had acquired Everett Manley's interest in the Gold Hill Property. Details of RMGC's acquisition were not provided to the Company.

Exploration Activity

Exploration by RMGC was initiated in April 2000 with work consisting of a soil and rock chip sampling program, geologic mapping, data compilation and re-logging and assaying the Company's drill holes. Open unsafe mine workings were fenced to protect the public.

RMGC began drilling in June 2000 and completed 17 reverse circulation holes on the Gold Hill property in the first year of the Nevada Star agreement (15 on the Company's property, 2 on property directly controlled by RMGC).

During the period May 1, 2001 to April 30, 2002, RMGC completed a total of 62 reverse circulation drill holes and 6 diamond core holes. Additional geologic mapping and soil and rock geochemical surveys were completed during the period.

During the period May 2, 2002 to May 2, 2003, RMGC continued development drilling, completing a total of over 58,000 feet of reverse circulation drilling and 8,000 feet of diamond core drilling. Additional geologic mapping and soil and rock geochemical surveys were completed. Metallurgical test work on various ore types was completed.

Permitting & Environmental

Concurrent reclamation of all areas of surface disturbance (drill sites, sumps and access roads) has continued as each phase of drilling has been completed. RMGC advises that it is in compliance with all operating permits.

During Fiscal 2003, RMGC started the permitting process for a proposed mine at Gold Hill. RMGC General Manager Mike Doyle, quoted in the Elko Daily Free Press, said that drilling continues to define the gold deposit and will continue until fall. RMGC is filing a plan of operations for an open pit mine at Gold Hill with the U.S. Bureau of Land Management.

MAN PROJECT, ALASKA

The MAN Project is comprised of the Ni-Cu-PGE Eureka Creek and Tangle Lakes Project, the Canwell Glacier Property and additional claims staked by the Company. As of the date hereof, the MAN Project covers 172,245 acres or 269 square miles of claims.

On December 11, 2003, the Company signed a Letter of Intent (LOI) with Anglo American Exploration (Canada) Ltd ("AAEC") as its first option/joint venture partner in the exploration of the MAN Project. AAEC is a wholly-owned subsidiary of Anglo American plc, a global leader in the mining and natural resource sectors.

The LOI outlines proposed terms for a formal option and joint venture agreement that will be prepared, pending the positive outcome of a 45-day period of due diligence by AAEC. The agreement covers two areas of the MAN Project -- Fish Lake and Dunite Hill, which make up approximately 50 percent of the MAN Project.

Under the terms of the proposed option/joint venture agreement, AAEC can earn a 51 percent interest in the property by spending a total of U.S. $12 million over a five-year earn-in period. Should AAEC complete a feasibility study at its expense, they are entitled to an additional 19 percent, making the partnership a 70/30 split. Anglo can earn an additional five percent by arranging production financing for both parties.

Ni-Cu-PGE Eureka Creek and Tangle Lakes Project

On January 9, 2002, the Company entered into a Share Purchase and Sale Agreement with the shareholders of M.A.N. Resources Inc. ("MAN") to acquire 100% of the issued and outstanding share capital of MAN (see "Terms of Acquisition" below). The Share Purchase and Sale Agreement was ratified by the shareholders at the Company's annual general and special meeting on May 15, 2002.

MAN holds a 100% interest in and to the Ni-Cu-PGE Eureka Creek and Tangle Lakes Project (the "Property") located 265 kilometers (165 miles) south-southeast of Fairbanks, Alaska on the southern flank of the central Alaska Range. The project area, which is easily accessible from the Richardson and Denali Highways, initially covered an area of approximately 75,000 acres (117 sq. miles) and consisted of:

- 409 Federal claims (11,000 acres or 17.2 square miles);
- 391 State claims (15,560 acres or 24.3 square miles);
- 1,159 State-selected claims (46,400 acres or 72.5 square miles); and
- 11 State-selected prospecting sites.

Most of the Project claims were staked by MAN and are contained within two large claim blocks, the Dunite Hill (southern) and Eureka Creek (northern) and smaller irregular blocks around Fish Lake (~300 claims) within the Mt. Hayes A-4, A-5, B-4 and B-5 30-minute quadrangles.

During the year ended August 31, 2003, the Company acquired by staking an additional 36 claims covering 720 acres and encompassing a significant nickel-copper-PGE showing. An additional 80 square miles were acquired by staking during the latter part of Fiscal 2003. The Company staked additional claims covering 4,840 acres, the Summit Hill Property, which became part of the MAN Project.

Platinum Group Metals

Platinum group metals ("PGM's") comprise six closely related metals, platinum, palladium, rhodium, iridium and osmium, which commonly occur together in nature and are among the scarcest of the metallic elements. The PGM's hold a unique position in the world economy for industrial and environmental applications. Along with gold and silver, they are known as precious or noble metals due to their relative stability. The PGM's occur as native alloys in placer (alluvial) deposits, or more commonly, in lode (hard rock) deposits associated with nickel and copper. Nearly all of the world's supply of these metals is extracted from lode deposits in four countries, including the Republic of South Africa and Russia with 90% of the world's production and Canada and the United States producing about 8%.

PGM's are critical to a number of industries because of their extraordinary physical and chemical properties, the most important of which are their attributes for catalysis. Since the mid-1970's and continuing today, automotive manufacturers use increasing numbers of catalytic converters containing platinum or platinum-rhodium alloys to reduce polluting automobile emissions. In addition, the chemical and petroleum-refining industries rely upon platinum group metals catalysis to produce a wide variety of chemical and petroleum products. The jewelry, glass, electronic, pharmaceutical, dental and investment sectors constitute other large consumers of platinum group metals. A potential large future market is in fuel cells, where PGM's are critical components.

Location

The Richardson Highway and the parallel Trans-Alaska Pipeline flank the project area to the east. The Denali Highway lies along the southern border of the southern Dunite Hill area. Anchorage lies 240 miles to the southwest and Fairbanks is 160 miles to the northwest along the Richardson highway. The MacLaren Glacier and River form the west side of the project area. Supplies are available in Delta Junction and Glennallen, approximately 60 miles to the north and south of the project area respectively. The nearest community is the hamlet of Paxson, which is situated at the junction of the Denali and Richardson highways.

Old and poorly maintained trails occur in the project area, but many are only accessible after the snow melts and glacial runoff subsides in late summer. The Youst trail and West Fork Rainy Creek trail have been used to access the placer mines in Rainy Creek and Broxson Gulch. Fixed-wing aircraft can access the area via a local gravel airstrip located at Broxson Gulch, whereas float-equipped aircraft can land on a few of the larger lakes, such as Fish Lake, and Sevenmile Lake. Helicopters offer the best means of accessing remote parts of the project area. Snowmobiles and ATVs can also be used to access the less-rugged areas. Several lodges on the Richardson and Denali Highways or the Broxson Gulch placer mining camp can be used as bases for fieldwork.

The Richardson and the Denali Highways are only 15 miles from the most remote part of the properties. Power lines, fibre-optic cable and the Alaska Pipeline parallel the Richardson Highway. The property is 200 miles north of the deep-water port at Valdez. A railhead 100 miles to the west along the Denali Highway connects Cantwell to the deep-water port at Seward, 236 miles to the south.

Physiography

The project area is on the interior edge of the Pacific Mountain System. The area is subject to elevation-controlled climate, where central Alaska Range mountains and alpine valleys are typically glaciated, windy and frequently cloudy. In contrast, piedmont valleys on the south-side of the Alaska Range have a more subdued topography and contain some vegetation. Extended summer daylight hours occur from approximately the beginning of June to the end of August. Approximate mean high and low temperatures are 80ºF and 55ºF in July, and 14ºF and -22ºF in January. Average precipitation varies between 4 inches in April to 20 inches in August.

The terrain is moderately rugged and tundra-covered. Elevation varies from 3,000 to 6,000 ft. above sea level. Snowfields and glaciers cover higher elevations. Sediment-laden rivers drain from the glaciers into the piedmont valleys, and eventually into the Delta River. Conifers are sparse and confined to the banks of larger rivers, such as the Delta River. Smaller vegetation, including alders, heath, grasses, moss and lichen, is more abundant but is also restricted to wetter piedmont valleys. Apart from bedrock, rubble and scree, glacial moraine or glacio-fluvial deposits cover the land surface. In addition to minor overbank or floodplain soil, there are only very thin, incipient soils in vegetated lowland areas.

Property Geology

The south flank of the Central Alaska Range, including the MAN project area, is underlain by Wrangellia Terrane, which accreted to ancestral North America in the late Cretaceous. Wrangellia is composed of a rifted Paleozoic arc overlain by Triassic flood basalt that extends over 1,500 miles. Portions of Wrangellia can be found along the North American Pacific margin from Oregon to Alaska. The Denali Fault bounds Wrangellia to the north and east, abutting it with the Devonian Yukon-Tanana Terrane. In the area of Eureka Creek, a wedge of Mesozoic MacLaren Terrane lies between Wrangellia and the Denali Fault.

The Yukon-Tanana Terrane north of the Denali Fault is composed primarily of deformed and metamorphosed Devonian to Carboniferous igneous rocks that formed an island-arc along a continental margin. The Wrangellia and MacLaren Terranes are of more immediate concern since they comprise the project area. Part of the MacLaren Terrane, between the Meteor Peak and Broxson Gulch thrust faults, consists of pre-late Jurassic, metamorphosed sedimentary and volcanic rocks referred to as the MacLaren metamorphic belt. Regional metamorphism increases from low-grade in the south to high-grade in the north, and the rocks are highly tectonized throughout.

Wrangellia is interpreted to be a late-Paleozoic island-arc which underwent rifting during the Triassic, forming the overlying flood-basalt package and related intrusions. Wrangellia consists of time-equivalent Tangle and Slana River Subterranes formed and amalgamated near the Triassic equator (15° N) prior to accretion to North America. The Tangle Subterrane is a thick sequence (+15,000 ft.) of Triassic Nikolai submarine and subaerial basalt flows deposited unconformably on upper Paleozoic aquagene tuff, limestone, chert and andesitic volcanic rocks. The Slana River Subterrane is a sequence of upper Paleozoic andesite and dacite overlain by marine limestone, argillaceous chert, tuff and Nikolai basalt. Gabbroic intrusions are common and interpreted to be cogenetic with the Nikolai basalt. Layered ultramafic complexes and dismembered ultramafic intrusions occur within the Slana River Subterrane and along major deep-seated faults within both subterranes.

Compressional tectonics has affected Wrangellia with increasing intensity northward to the Denali Fault, a major crustal suture and tectono-stratigraphic boundary that extends from southeast Alaska to the Bering Sea. Over 250 miles of right-lateral movement and substantial vertical movement occurred along the Denali Fault, which remains active to the present. A regional seismic transect through the Nikolai area indicates that the crust is considerably thicker on the south side of the Denali Fault. Other major subsidiary faults include the Broxson Gulch Fault (which juxtaposes the MacLaren and Wrangellia Terranes) and the Eureka Creek Fault, which separates the Slana River and Tangle Subterranes. Wrangellia has undergone greenschist facies metamorphism, with local amphibolite facies near the Denali and Broxson Gulch faults.

Wrangellia lithologies are described in ascending stratigraphic order. The description of the geology in the project area is based on previous work by government and Company geologists.

<u>Tetelna Volcanics and Slana Spur Formation</u>

The Tetelna volcanics consist of andesite to dacite flows with subordinate basalt, and pyroclastics, sandstone and limestone interbeds. These pass upsection into the Slana Spur Formation, a volcaniclastic sandstone-dominated sequence with subordinate conglomerate, volcanic flows and limestone interbeds. In the northeastern corner of the project area, a thick agglomerate and tuff unit (Richardson Highway pyroclastics) occurs above the Tetelna volcanics. The Tetelna volcanics and Slana Spur Formation are exposed in the northern part of the project area between the Broxson Gulch thrust fault and Permian Eagle Creek Formation.

Tangle Lakes Formation

A sequence of sedimentary and pyroclastic rocks to tuffaceous sedimentary rocks of the Tangle Lake Formation underlies the Nikolai Group volcanics in the Amphitheater Mountains.

Nikolai Group

The Nikolai Group includes the Paxson Mountain basalt, Tangle Lakes Formation sediments and the Boulder Creek volcanics, mafic to ultramafic intrusions and minor argillaceous sedimentary rocks. Dunitic to gabbroic intrusions in the project area are considered to be coeval and cogenetic with the Nikolai Group volcanics and, consequently, are included in the Nikolai Group. In other areas, fossils from sedimentary rocks intercalated with basalt flows, and radiometric dating, indicate that the Nikolai Group is Triassic in age. Although faulting and folding has produced deformed and isolated sections of the Nikolai Group, the total thickness of the Nikolai Group is estimated to be over 15,000 feet.

Generally, the Nikolai Group volcanic rocks consist of dark grey, green or maroon, tholeiitic basalt flows, with rare picritic intervals. Andesite was not observed within the Nikolai Group volcanic rocks. However, olivine basalt was found in the Rainy Mountain area. Flow units are up to 16.5 feet thick, with 3 ft- to 6.5 ft-thick amygdaloidal flow tops. Minor intercalated sulfidic greywacke/argillite occurs towards the base of the Nikolai Group. The basalt may be massive or pillowed, columnar jointed and amygdaloidal. Amygdule minerals include quartz, chlorite, epidote or a zeolite. The basalt has been effected by very low- to low-grade metamorphism (prehnite-pumpellyite to chlorite-actinolite stable), network microfracturing and epidote alteration.

The Nikolai Group intrusions consist of cumulate-textured dunite, peridotite and clinopyroxenite layered intrusions with subordinate marginal gabbro (ultramafic-mafic intrusions), and gabbro intrusions. The ultramafic-mafic intrusions characteristically weather to an orange-brown color, are generally serpentinized in tectonized zones, and may contain chromitiferous magnetite, chromite and/or disseminated sulfides. The Fish Lake, Dunite Hill, and Rainy intrusions are from 10 to 25 miles in length by 2,000 ft. to over 7,000 ft. in thickness. Other intrusions typically average fifty to one-thousand feet in thickness. The airborne magnetic survey suggests feeder-like connections between the complexes, which have intruded at different stratigraphic levels. Lithochemistry indicates that they could have been derived from a common magma source. The ultramafic-mafic Nikolai Group intrusions are the focus of MAN's exploration program because Ni-Cu-PGE mineralization has been found in and adjacent to the Triassic intrusions which are coeval with the Nikolai Group basalt.

The gabbroic intrusions are typically massive and ophitic textured, and commonly occur juxtaposed with the ultramafic-mafic intrusions, and, in some places, may constitute the marginal phase to an ultramafic-mafic intrusion. Some gabbro intrusions are slightly younger than the ultramafic-mafic intrusions. These younger gabbro intrusions are adjacent to (intrude?) the Nikolai Group basalts, have 'fresher' mineralogy than the Nikolai Group gabbro, and commonly contain magnetite, large clinopyroxene phenocrysts, and are granophyric. Northwest-trending (302° to 360°) gabbroic dykes dissect the basalt sequence in the Amphitheater Mountains and are likely part of the younger gabbro intrusive suite.

In general, the upper, volcanic part of the Nikolai Group is well exposed in the Amphitheater Mountains area; whereas in the northern Eureka Creek project area, few volcanics occur and more Nikolai Group intrusions are present hosted by the Slana Spur-Tetelna volcanics. Increased thrusting in the north no doubt causes this and also exposes lower stratigraphic levels. In the Amphitheater Mountains the Nikolai Group and underlying sedimentary-volcanic rocks appear to be folded about the west-trending, and plunging, Amphitheater Synform. This sequence thins to the east of Tangle Lakes, where more Nikolai Group ultramafic-mafic intrusions are exposed. Coincident with the exposed intrusions east of Tangle Lakes is an area of increased magnetism (>5500 gamma). The strongest aeromagnetic anomalies (>7000 gamma) correlate well with the exposed intrusions.

There is only one exception to the predictable geology found across the MAN Ni-Cu-PGE Project area. Approximately two miles east of the toe of the Eureka Glacier, in Landslide Creek is a sub circular area, hundreds of feet in diameter, containing unique exposures of a dunitic breccia. The boulder- to pebble-size breccia fragments are predominantly dunite to feldspathic peridotite in composition. The poorly sorted fragments lie in fractured, serpentine- and talc-rich, sand to silt matrix. Yard-sized areas of well-sorted, imbricate fragments are also present. Although originally mapped as a Quaternary landslide, there are large areas of intact dunitic breccia suggesting that it may be in-situ and older. The distribution and composition of the breccia suggests that it may be a magmatic ingression breccia (diatreme) and part of the Triassic Nikolai Group igneous suite, partly disrupted by a more recent landslide.

Cretaceous-Tertiary Intrusions

Cretaceous-Tertiary plutons intrude the Slana Spur Formation and the intrusive and extrusive components of the Nikolai Group, particularly in the northwestern part of the overall project area. The Cretaceous- to Tertiary-age plutons range in composition from granodiorite to diorite to quartz monzonite. The intrusions are moderately to intensely fractured and sheared. In the most northwesterly project area, the north-dipping Broxson Gulch thrust fault transposed a quartz monzonite intrusion atop Nikolai Group volcanic rocks. Commonly, the intrusive mineralogy is retrogressively altered to sericite, chlorite and epidote. In the Amphitheater Mountains, hornblende-porphyry dacitic dikes intrude the Nikolai Group volcanics.

Gakona Formation

Small, scattered exposures of poorly consolidated Gakona Formation conglomerate and sandstone occur in the northwestern part of the project area. Flat-lying, thinning-upward sequences, containing coaly sandstone ending in siltstone, contain probable Oligocene-age fossils. In the same area and at the same stratigraphic level, fewer, small exposures of Tertiary olivine basalt occur.

Property History

The following provides a brief history of mineral exploration and geological and geophysical studies that have contributed to the current understanding of the geology and mineral potential of the MAN Project area:

1903-50: Initial discoveries in the area included placer gold and lode copper.

1950-88: Initial exploration in the area for nickel. Government surveys through the area with regional mapping and aeromagnetic surveys, examination of nickel occurrences..

1989-2001: Examination of nickel and PGE potential by junior and major mining companies. Limited placer mining on Rainy Creek.

2001-2002: Major study of mineral potential of Delta Mining District by BLM including joint ground and airborne investigations of the MAN Project area by the BLM and USGS.

Exploration Activity

Beginning in 1995, exploration on Eureka Creek Project for Pacific Rainier Inc. ("PRI") commenced with claim staking and purchase of the Broxson Gulch gold placer properties (INCA claims). By the end of 1996 PRI had acquired over 81,000 acres. In 1997 Tullaree Resources Ltd. joint- ventured the project with PRI and staked hundreds more claims in the project area, covering most of the ultramafic/mafic complexes not already staked by ACNC, PRI, or NRE. In 1998, MAN was formed to explore the properties acquired PRI and the Company. In July 2002 MAN was acquired by the Company. The following provides a summary of the exploration work carried out since 1997:

1997: Exploration consisted of reconnaissance prospecting and geologic orientation focused in the Eureka Creek area. A minor amount of geologic mapping and rock and stream sediment sampling was conducted along with the prospecting. A total of 453 rock samples and 28 stream sediment samples were collected. The 1997 program confirmed the existence of olivine-rich mafic to ultramafic intrusions hosted in sulphide-bearing sedimentary volcanic rocks. Of particular interest was the confirmation of magmatic sulfide mineralization found in grab samples from the Nikolai Group intrusions.

1998: Exploration in 1998 consisted of collecting stratigraphic profiles through the Nikolai Group basalt to detect PGE depletion. Reconnaissance prospecting, mapping and sampling was also conducted in a limited degree. Most of the work was focused in the Dunite Hill area in an effort to confirm the existence of a large, mafic-ultramafic body indicated by regional aeromagnetics but covered by a thin overburden of glacial till and valley sediment. Later in the season a ground-based magnetic survey was conducted over a prospective area near Dunite Hill. Although no significant mineralization was found, the magnetic survey confirmed the existence of a large mafic-ultramafic body and the need for an extensive airborne geophysical survey.

1999: Based on the 1997 and 1998 exploration, the 1999 field season focused activity on the eastern half of the Amphitheater Mountains. A short program of mapping and sampling was carried out in conjunction with an airborne geophysical program. From mid-June to early-July 1999, mapping and sampling in the eastern half of the Amphitheater Mountains was carried out. Much of the exposed geology from Landmark Gap Lake to Fourteenmile Lake was mapped and prospected. An additional four profiles were also sampled through the Nikolai Group basalt to determine the extent of Pt and Pd depletion. From the systematic sampling of the Nikolai Group basalt, it was found that the basal 500 to 600 m of the basalt contains more sulfur and nickel than the overlying basalt but shows extreme depletion in Pt and Pd at the base of the lava flows.

In June and July of 1999, Meridian Geosciences Ltd. of Vancouver, Canada completed a helicopter supported magnetic-electromagnetic (Mag-EM) geophysical survey over the Eureka Creek and Dunite Hill areas. The Dunite Hill area was flown on 100-meter spaced north-south flight lines recovering approximately 1,290 line-km of data. The Eureka Creek area was flown on 200-meter spaced north-south lines recovering approximately 990 line-miles of data. Positive magnetic responses over the mafic-ultramafic bodies delineated very large areas of previously unknown mafic-ultramafic occurrences. Electromagnetic data from the survey also identified areas of greater conductivity and numerous discrete conductors within the intrusive complex. The high resolution Hummingbird Mag-EM system used on the survey is able to discriminate between conductors related to magnetite and sulfides.

2000: The 2000 field work consisted of geochemical sampling, mapping and rock chip sampling over prospective areas identified by the 1999 geophysical survey. A regional stream sediment survey was also conducted with the assistance of Peter Friske of the Geological Survey of Canada. A broad-spaced selective extraction geochemical survey using Mobile Metal Ion (MMI) analysis from XRAL Laboratories was conducted over portions of the Dunite Hill area to identify prospective areas covered by glacial overburden. MMI surveys were also conducted in the Eureka Creek area over mafic-ultramafic bodies discovered by the geophysical survey. In addition to the MMI surveys, a soil geochemistry survey was conducted over an area with a laterally extensive ultramafic body and strong EM conductors. The stream sediment survey consisted of 45 heavy mineral concentrate samples and 80 stream silt samples. The MMI surveys consisted of 1006 samples taken at various spacings depending on the geology of the area. In the Eureka Creek area, 209 soil samples were taken over an area underlain by ultramafic rocks with favorable geology and geophysical expressions.

2001: The 2001 field season exploration focused principally on the Eureka Creek project area. The work completed consisted of mapping, prospecting and sampling of the margins of the mafic-ultramafic complexes. Peter Friske of the Geological Survey of Canada completed in-fill sampling and anomaly follow-up of the 2000 regional stream sampling survey.

2002: Mapping, prospecting and geochemical sampling was completed over the a number of targets in the MAN Project area, including Canwell, East Rainy, Gezzi, Specimen Creek, Broxson Gulch and Bird's Beak. Additionally, three-dimensional modeling of the Hummingbird magnetic data from the Dunite Hill area, combined with geophysical results from the USGS and BLM, has resulted in a more comprehensive interpretation of the geology and mineral potential of this high priority target area.

2003: Exploration work completed during the 2003 field season has included shallow drill testing of the Rainy, Canwell, and Fish Lake projects for structure and stratigraphic control, constructing a tractor-ATV trail to the top of Canwell from the Richardson Highway, trackhoe trenching at Canwell and the collection and analysis of over 2,000 rock trench, colluvium, and soil samples. In early spring of 2003, the Company completed a surface geophysical program at Dunite Hill, which included gravity and large loop electromagnetics (UTEM-3).

The Company is in the process of planning an extensive geophysical, geochemical and drilling program for this winter/spring of 2004 on the Dunite Hill and Fish Lake properties where the Company believes the greatest potential for nickel-copper-PGE massive sulphide deposits exists. This work will be done in conjunction with a Joint Partnership on these two areas.

Terms of Acquisition

On June 21, 2002, the TSX Venture Exchange accepted for filing the Share Purchase and Sale Agreement for the acquisition of MAN. MAN was incorporated on August 25, 1998 pursuant to the laws of the State of Washington, U.S.A. Its business was the exploration and development of mineral properties. On July 3, 2002, an aggregate of 15,600,000 shares of Common Stock were issued at a deemed price of $0.10 per share to the shareholders of MAN as consideration for all of the issued shares of MAN. In addition, two convertible debentures were issued for the aggregate amount of $1,337,038 (US $842,334). The debentures, which earn interest at 5% per annum, may be converted into an aggregate maximum of 9,400,000 shares of Common Stock at $0.142 per share in years 1-3, $0.192 per share in year 4 and $0.242 per share in year 5. Of the 15,600,000 shares issued, 13,648,680 shares issued to two insiders of the Company were held in escrow and subject to the release terms of a TSX Venture Exchange Tier 2 Surplus Security Escrow Agreement (6 years). The escrow term may be reduced to that of a Tier 2 Value Security Escrow Agreement (3 years) upon the Company receiving a positive recommendation to proceed with a proposed second phase work program and raising sufficient funds to conduct the work program. Should the debentures be converted into shares of Common Stock, those shares would be subject to the same escrow terms.

During the third quarter of Fiscal 2003, 3,049,360 common shares were issued at a price of $0.142 per share upon the conversion of an outstanding debenture to extinguish $418,275 (US $273,279) in debt. A loss of $14,734 was recognized on the conversion of the debenture.

During Fiscal 2003, the Company satisfied the conditions and the TSX Venture Exchange accepted the Company's application for early release of the escrow securities. During Fiscal 2003, 5,459,472 shares of common stock were released from escrow for the acquisition of MAN and 1,219,744 shares of common stock were released from escrow for the conversion of a debenture.

Canwell Glacier Property

Location and Access

The Canwell Glacier property is located in the Alaska Range approximately 165 miles southeast of Fairbanks. The property is located east of Canwell Glacier near the Richardson Highway where the Delta River cuts through the Alaska Range in Isabella Pass. The Property consists of 44 Alaska state claims which cover a total of 1760 acres. Access to the property is most easily obtained by helicopter, but can also be obtained by hiking the eastern lateral moraine of Canwell Glacier.

Property History

Two small high-grade nickel occurrences have been documented in the Canwell Glacier area for several years. The Emerick Lode was discovered in the early 1950s and the Glacier Lake showing was discovered in 1962. In 1971 the state of Alaska flew a wide-spaced fixed-wing aeromagnetic survey of the area. The magnetic data suggested that a large mafic or ultramafic body lay to the south of the Alaska Range. By 1977 reconnaissance geologic mapping confirmed this theory. In 1992, American Copper & Nickel Company, Inc. (ACNC), the US subsidiary of INCO began investigating the area. During 1992 and 1993, ACNC conducted geologic reconnaissance, prospecting, and lithogeochemical stratigraphic sampling in the area. ACNC geologists recognized that the ultramafic rocks which hosted mineralization in the area might be cogenetic with the Nikolai flood basalts. This setting was recognized as being analogous to the Noril'sk Ni-Cu-PGE deposits in Siberia.

During 2002, the Company completed a program of colluvium sampling at the base of talus slopes, rock and chip sampling of known and new exposures of mineralization and 291 m of drilling in 7 holes. Due to the broken and altered ground conditions, the small portable drill was not successful in testing the key targets.

Geology and Mineralization

The Canwell mafic-ultramafic complex is approximately 3.5 miles long and 2,400 ft. thick. It has a dunite core and grades out into peridotite and gabbro margins. Disseminated and massive sulphides hosted in gabbros, peridotites and dunites are found at Canwell Glacier. Several significant mineralized showings have been found at Canwell Glacier. The most important to date are: Canwell Central Ridge (up to 13.68% Ni, 2.9% Cu, 0.147 opt Au, 0.59 opt Pt and 0.256 opt Pd), Canwell Glacier (up to 6.9% Ni, 2.3% Cu, 0.1% Co, 3.5 g/t Pt and 2.6 g/t Pd), Canwell Ridge (up to 8.5% Ni, 0.8% Cu, 0.2% Co, 1.9 g/t Pt and 3.1 g/t Pd), and Lower Canwell (up to 4.4% Ni, 1.2% Cu, 2.5 g/t Pt and 2.4 g/t Pd). The Odie prospect, a small magnetite rich pod showed some of the strongest PGE mineralization in the area with values up to 15.6 g/t Pt, 2.6 g/t Pd, 0.9% Ni, and 0.3% Cu.

ACNC conducted a helicopter supported magnetic-electromagnetic survey over the area in 1995. Numerous electromagnetic conductors were detected within the mafic-ultramafic complex. A UTEM survey was conducted in 1996 and several deep conductors were confirmed resulting in the selection of several drill targets. In 1997-1998 ACNC drilled 5 diamond drill holes (2928 ft total) at Canwell Glacier in hopes of intercepting high-grade massive sulfide mineralization.

Exploration Activity

2003: Exploration work completed during the 2003 field season has included shallow drill testing for structure and stratigraphic control, constructing a tractor-ATV trail to the top of Canwell from the Richardson Highway, trackhoe trenching at Canwell and the collection and analysis of over 200 rock trench, colluvium, and soil samples.

Terms of Acquisition

On August 22, 2001, the Company signed a letter of intent with FNX Mining Company Ltd. (formerly Fort Knox Gold Resources Inc.) to acquire an undivided 60% interest in the Canwell Glacier property. In return for this interest, the Company agreed to issue 200,000 shares of the Company to FNX and to expend $600,000 on exploration. Pursuant to the terms of the letter of intent, 50,000 shares of Common Stock were issued to FNX on January 16, 2002 and U.S. $100,000 was expended by January 11, 2003.

During Fiscal 2003, the Company entered into an agreement to acquire a 100% interest in the property from FNX by issuing 150,000 shares of Common Stock and agreeing to issue an additional 150,000 shares of Common Stock in equal annual installments over three years. The Company also issued to FNX 300,000 share purchase warrants with a three-year term, exercisable at $0.32 in year one, $0.37 in year two and $0.42 in year three. An underlying 2% NSR is payable to American Copper Nickel Company, a joint venture partner of FNX.

ITEM 3. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company is a party or of which any of its properties is subject.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information

The Common Stock of the Company is traded on the TSX Venture Exchange under the symbol "NEV" and on the NASDAQ Over the Counter Bulletin Board Service under the symbol "NVSRF". The following table sets forth the high and low sales prices for the Common Stock for each quarter within the last two fiscal years. The noon buying rates in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for the conversion of Canadian dollars into United States dollars on December 5, 2003 was $0.7666.

	TSX High CDN$	TSX Low CDN$	OTCBB High US$	OTCBB Low US$
Year Ended August 31, 2003				
Fourth Quarter	$0.48	$0.30	$0.355	$0.25
Third Quarter	$0.43	$0.20	$0.31	$0.13
Second Quarter	$0.30	$0.30	$0.195	$0.14
First Quarter	$0.39	$0.19	$0.255	$0.11
Year Ended August 31, 2002				
Fourth Quarter	$0.33	$0.19	$0.20	$0.12
Third Quarter	$0.23	$0.14	$0.14	$0.06
Second Quarter	$0.25	$0.04	$0.125	$0.06
First Quarter	$0.15	$0.05	$0.05	$0.05

The source of this information is Stockwatch.com. These prices reflect inter-dealer prices, without retail markup, markdown or commission and may not represent actual transactions.

(b) Holders

There are 254 registered holders of the Company's common equity at November 21, 2003.

(c) Dividends

The Company has not paid any dividends since incorporation and it has no plans to pay dividends for some time. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time. All of the shares of Common Stock are entitled to an equal share of any dividends declared and paid.

(d) Recent Sales of Unregistered Securities

During the year ended August 31, 2003, the Company sold the following equity securities which were not registered under the Securities Act of 1933, as amended (the "Securities Act"):

(i) On September 30, 2002, the Company issued 1,026,771 units at a price of $0.25 per unit pursuant to a private placement. Each unit consisted of one share of Common Stock and one share purchase warrant entitling the holder thereof to purchase one additional share of Common Stock for a period of eighteen months at the exercise price of $0.35 in the first nine months and $0.50 in the second nine months expiring March 31, 2004. 20,000 units were issued to one non U.S. resident in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S. 1,006,771 units were issued to 11 accredited investors in the United States pursuant to Rule 506 of Regulation D of the Securities Act.

(ii) On November 18, 2002, the Company issued 800,000 shares of its Common Stock at a price of $0.10 per share to Monty Moore, Chairman, CEO and Director of the Company, pursuant to the exercise of stock options. The shares were issued to the accredited investor in the United States pursuant to a Section 4 (2) exemption from registration under the Securities Act.

(iii) On January 17, 2003, the Company issued 20,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(iv) On February 25, 2003, the Company issued 76,700 shares of its Common Stock at a price of $0.25 per share to three non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(v) On March 24, 2003, the Company issued 3,049,360 shares of its Common Stock at a deemed price of $0.142 per share pursuant to the conversion of a debenture by Robert Angrisano, President and Director of the Company. The shares were issued pursuant to a Section 4 (2) exemption from registration under the Securities Act.

(vi) On March 27, 2003, the Company issued 110,000 shares of its Common Stock at a price of $0.25 per share to two non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(vii) On March 28, 2003, the Company issued 40,000 shares of its Common Stock at a price of $0.25 per share to two non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(viii) On April 17, 2003, the Company issued 350,000 shares of its Common Stock at a price of $0.10 per share to one non U.S. resident pursuant to the exercise of stock options. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(ix) On April 25, 2003, the Company issued 20,000 shares of its Common at a price of $0.25 per share to two non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(x) On April 28, 2003, the Company issued 7,500,000 units at a price of US $0.20 per unit pursuant to a private placement. Each unit consisted of one share of Common Stock and one share purchase warrant entitling the holder thereof to purchase one additional share of Common Stock for a period of three years at the exercise price of US $0.25 in the first year, US $0.35 in the second year and US $0.75 in the third year expiring April 28, 2006. 1,397,690 units were issued to 17 non U.S. residents in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S. 6,102,310 units were issued to 61 accredited investors in the United States pursuant to Rule 506 of Regulation D of the Securities Act.

(xi) On May 7, 2003, the Company issued 29,000 shares of its Common Stock at a price of $0.25 per share pursuant to the exercise of previously issued warrants. These shares were issued to one accredited investor in the United States pursuant to a Section 4 (2) exemption from registration under the Securities Act.

(xii) On May 8, 2003, the Company issued 10,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xiii) On May 20, 2003, the Company issued 20,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xiv) On May 29, 2003, the Company issued 20,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xv) On May 30, 2003, the Company issued 110,000 shares of its Common Stock at a price of $0.25 per share to six non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xvi) On June 2, 2003, the Company issued 40,000 shares of its Common Stock at a price of $0.25 per share to three non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xvii) On June 3, 2003, the Company issued 40,000 shares of its Common Stock at a price of $0.25 per share to three non-U.S. residents pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xviii) On June 6, 2003, the Company issued 70,890 shares of its Common Stock at a price of $0.25 per share pursuant to the exercise of previously issued warrants. 20,000 shares were issued to one non U.S. resident in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S. 50,890 shares of Common Stock were issued to one accredited investor in the United States pursuant to a Section 4 (2) exemption from registration under the Securities Act

(xix) On June 10, 2003, the Company issued 30,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xx) On June 19, 2003, the Company issued 40,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xxi) On June 20, 2003, the Company issued 333,333 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xxii) On July 10, 2003, the Company issued 20,000 shares of its Common Stock at a price of $0.25 per share to one non-U.S. resident pursuant to the exercise of previously issued warrants. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xxiii) On July 14, 2003, the Company issued 63,420 shares of its Common Stock at a price of $0.35 per share pursuant to the exercise of previously issued warrants. These shares were issued to one accredited investor in the United States pursuant to a Section 4 (2) exemption from registration under the Securities Act.

(xxiv) On July 21, 2003, the Company issued 50,000 shares of its Common Stock at a price of $0.25 per share to one non U.S. resident pursuant to the exercise of stock options. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xxv) On July 28, 2003, the Company issued 1,002,499 shares of its Common Stock at a price of $0.25 per share pursuant to the exercise of previously issued warrants. These shares were issued to eight accredited investors in the United States pursuant to a Section 4 (2) exemption from registration under the Securities Act.

(xxvi) On July 30, 2002, the Company issued 150,000 shares of its Common Stock at a deemed price of $0.10 per share to FNX Mining Company Inc. for the acquisition of the Canwell Glacier Property, Alaska. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(xxvii) On August 15, 2003, the Company issued 20,000 shares of its Common Stock at a price of $0.25 per share to one non U.S. resident pursuant to the exercise of stock options. These shares were issued in reliance on the exemptions from registration under Sections 3(b) and/or 4(2) of the Securities Act, and the safe harbor from registration provided in Regulation S.

(e) Securities Authorized for Issuance Under Equity Compensation Plans

There are no compensation plans or individual compensation arrangements in place under which equity securities of the Company are authorized for issuance to employees or non-employees (such as directors, consultants, advisors, vendors, customers, suppliers or lenders) in exchange for consideration in the form of goods or services as described in Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensatio*n, or any successor standard.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Plan of Operation

The Company is making preparations for a significant exploration program on its MAN Project in Alaska. The 2004 exploration program could consist of extensive geophysical, geochemical and drilling in the Rainy, Eureka, and Canwell properties where the Company believes the greatest potential for nickel-copper-PGE massive sulphide deposits exists as well as potential for gold identification. Final budgeting for this proposed program has not yet been completed.

The Company has sufficient funds to satisfy cash demands for general and administrative expenses and property holdings costs for the next 12 months. To fund an exploration program in 2004, the Company is examining two options. One would be to option all or a part of the MAN Project to a major mining company who would then finance the required exploration. To that end, the Company is in discussion with a number of companies. Alternatively, the Company is examining the feasibility of making an offshore private placement of its common stock to certain Canadian investors under a Regulation S exemption from registration under the Securities Act or to certain accredited investors in the United States pursuant to Rule 506 of Regulation D of the Securities Act. There can be no assurance that the Company will successfully complete this offering.

The Company anticipates that it will utilize the services of independent consultants to accomplish its maintenance and exploration programs and therefore does not anticipate that there will be any increase in the number of employees.

The Company does not anticipate the purchase or sale of any plant or significant equipment during the next twelve-month period. At the present time the Company has no current plans, arrangements, agreements or undertakings to acquire any additional exploration properties.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

ITEM 7. FINANCIAL STATEMENTS

NEVADA STAR RESOURCE CORP.

Consolidated Financial Statements
August 31, 2003 and 2002
(Canadian Dollars)

INDEX

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEVADA STAR RESOURCE CORP.

We have audited the consolidated balance sheets of Nevada Star Resource Corp. as at August 31, 2003 and 2002 and the consolidated statements of operations and deficit, cash flows and investments in and expenditures on resource properties for each of the years then ended. 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 auditing standards generally accepted in Canada and in the United States of America. 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 August 31, 2003 and 2002 and the results of its operations, its cash flows and its investments in and expenditures on resource properties for each of the years then ended in accordance with Canadian generally accepted accounting principles. Accounting principles generally accepted in Canada differ in certain significant respects from accounting principles generally accepted in the United States of America and are discussed in Note 10 to the consolidated financial statements.

"Smythe Ratcliffe"

Chartered Accountants

Vancouver, Canada
November 7, 2003

COMMENTS BY AUDITORS FOR U.S. READERS ON CANADA-US REPORTING DIFFERENCES

In the United States, reporting standards for auditors require the addition of an explanatory paragraph, following the opinion paragraph, when the financial statements are affected by conditions and events that cast substantial doubt on the Company's ability to continue as a going-concern, such as those described in note 2 to the consolidated financial statements. Our report to the shareholders dated November 7, 2003 is expressed in accordance with the Canadian reporting standards which do not permit a reference to such events and conditions in the auditors' report when these are adequately disclosed in the financial statements.

"Smythe Ratcliffe"

Chartered Accountants

Vancouver, Canada
November 7, 2003

NEVADA STAR RESOURCE CORP.
Consolidated Balance Sheets
August 31
(Canadian Dollars)

	2003	2002
Assets		
Current		
Cash	$1,405,330	$277,925
Accounts receivable	6,235	3,591
Prepaid expenses	1,059	19,455
	1,412,624	300,971
Investments in and Expenditures on Resource Properties (note 4)	10,525,395	8,837,596
Capital Assets (note 5)	91,189	2,120
	$12,029,208	$9,140,687
Liabilities		
Current		
Accounts payable	$218,488	$66,255
Due to shareholder (note 8(e))	241,458	134,478
Convertible Debentures (note 7)	616,909	1,005,635
	1,076,855	1,206,368
Shareholders' Equity		
Capital Stock (note 6)	18,748,547	15,136,850
Contributed Surplus (note 6 (e(ii))	109,725	0
Subscriptions Received	23,849	234,923
Equity Portion of Convertible Debenture (note 7)	171,630	283,624
Deficit	(8,101,398)	(7,721,078)
	10,952,353	7,934,319
	$12,029,208	$9,140,687

Approved on behalf of the Board:

(signed) "Monty Moore"
.... Director
(signed) "Robert Angrisano"
.... Director

See notes to consolidated financial statements.

NEVADA STAR RESOURCE CORP.
Consolidated Statements of Operations and Deficit
Years Ended August 31
(Canadian Dollars)

	2003	2002
General and Administrative Expenses		
Promotion	$166,078	$4,510
Bank charges and interest	71,981	14,005
Consulting	50,977	40,534
Office and miscellaneous	40,970	98,281
Professional fees	30,594	60,631
Listing and filing fees	25,129	16,130
Travel	19,128	22,191
Transfer agent fees	11,883	6,770
Telephone	6,122	3,661
Amortization	15,376	522
	438,238	267,235
Other Items		
Interest income	(3,501)	(611)
Loss on conversion of debenture	14,734	0
Loss (gain) on translation of foreign currencies	(69,151)	2,428
Net Loss for Year	(380,320)	(269,052)
Deficit, Beginning of Year	(7,721,078)	(7,452,026)
Deficit, End of Year	$(8,101,398)	$(7,721,078)
Net Loss Per Share	$ (0.008)	$ (0.006)
Weighted Average Number of Common Shares Outstanding	48,689,646	36,051,088

See notes to consolidated financial statements.

NEVADA STAR RESOURCE CORP.
Consolidated Statements of Cash Flows
Years Ended August 31
(Canadian Dollars)

	2003	2002
Operating Activities		
Net loss	$(380,320)	$(269,052)
Items not involving cash		
Amortization	15,376	522
Promotion expense re: stock based compensation	56,295	0
Foreign exchange gain	(67,711)	0
Operating Cash Flow	(376,360)	(268,530)
Changes in Non-Cash Working Capital		
Accounts receivable	(2,644)	23
Prepaid expenses	18,396	(19,455)
Accounts payable	152,233	57,796
Due to shareholder	106,980	61,073
	274,965	99,437
Cash Used in Operating Activities	(101,395)	(169,093)
Investing Activities		
Deferred exploration and development costs	(1,548,313)	0
Acquisition of capital assets	(104,445)	0
Acquisition of mineral properties	(71,056)	(408,896)
Cash Used in Investing Activities	(1,723,814)	(408,896)
Financing Activities		
Issuance of shares for cash	2,928,765	616,722
Share subscriptions	23,849	234,923
Cash Provided by Financing Activities	2,952,614	851,645
Cash Inflow	1,127,405	273,656
Cash, Beginning of Year	277,925	4,269
Cash, End of Year	$1,405,330	$277,925
Supplemental Information for Investing and Financing Activities		
Shares issued for mineral properties	$15,000	$1,565,000
Shares issued for loan settlement and advances from shareholder	0	$628,278
Shares issued under convertible debenture	$433,009	0

See notes to consolidated financial statements.

NEVADA STAR RESOURCE CORP.
Consolidated Statements of Investments In and Expenditures on Resource Properties
Years Ended August 31
(Canadian Dollars)

	Gold Hill Property Nevada (note 4(a))	Beaver Lake and O.K. Copper Mines Property, Utah (note 4(b) and (c))	PGM Property, Alaska	MAN Project, Alaska (note 4(d))	Total
Balance, August 31, 2001	$491,800	$5,023,295	$59,346	$0	$5,574,441
Expenditures for year					
Materials and supplies	0	103,372	0	0	103,372
Drilling	0	28,344	0	0	28,344
Geological consulting	0	7,559	20,166	2,045	29,770
Property acquisition	0	0	0	5,000	5,000
Travel	0	931	0	0	931
Option payments received	(38,205)	(7,604)	0	0	(45,809)
Recording fee	0	0	0	51,036	51,036
Equipment	0	11,541	0	0	11,541
Miscellaneous	0	2,292	0	240,287	242,579
Assays	0	0	0	7,471	7,471
Acquired expenditures (note 7)	0	0	0	2,908,432	2,908,432
Loss on acquisition	0	0	(79,512)	0	(79,512)
	(38,205)	146,435	(59,346)	3,214,271	3,266,155
Balance August 31, 2002	$453,595	$5,169,730	$0	$3,214,271	$8,837,596
Expenditures for year					
Drilling and exploration	0	0	0	980,086	980,086
Geological consulting	0	0	0	194,042	194,042
Property acquisition	0	0	0	139,485	139,485
Travel	0	0	0	87,298	87,298
Option payments received	(72,420)	0	0	0	(72,420)
Recording fee	0	2,520	0	116,579	119,099
Equipment	0	28,740	0	9,540	38,280
Miscellaneous	0	0	0	14,912	14,912
Assays	0	0	0	31,806	31,806
Holding Costs	0	10,895	0	144,316	155,211
	(72,420)	42,155	0	1,718,064	1,687,799
Balance, August 31, 2003	$381,175	$5,211,885	$0	$4,932,335	$10,525,395

See notes to consolidated financial statements.

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

The Company is incorporated under the laws of British Columbia and was continued into the Yukon Territory of Canada in 1998. The principal business activity is the exploration and development of natural resource properties.

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Nevada Star Resource Corp. (U.S.), a Nevada corporation and M.A.N. Resources, Inc. ("MAN"), a Washington Corporation. All significant intercompany balances and transactions have been eliminated.

2. GOING CONCERN

These financial statements have been prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future.

The Company has experienced significant losses. At August 31, 2003, the Company had working capital (current assets over current liabilities) of $335,769 and an accumulated deficit of $8,101,398.

The Company remains dependent upon its ability to obtain outside financing either through the issuance of additional shares of its common stock or through borrowings until it achieves sustained profitability through the sale of metals and cost containment. The Company's business now focuses on and is expected to follow-up on targets identified for follow-up exploration, including that of ground geophysical surveys, particularly gravity and UTEM geophysical survey, as well as fill-in soil sampling and additional prospecting and rock sampling in order to define drill targets. A Phase II program of drill testing is planned for a particular site in the 2004 field season.

The Company expects to generate the necessary resources for 2004 through a combination of the sale of equity securities through private placements, the exercise of stock purchase warrants and options and debt financing. No assurances can be given, however, that the Company will be able to obtain sufficient additional resources. If the Company is unsuccessful in generating anticipated resources from one or more of the anticipated sources and is unable to replace any shortfall with resources from another source, the Company may be able to extend the period for which available funds would be adequate by obtaining additional debt financing, joint venturing or selling its properties and otherwise scaling back operations. If the Company were unable to generate the required resources, its ability to meet its obligations and to continue its operations would be adversely affected.

The Company's consolidated financial statements have been prepared under the assumptions of going-concern. Failure to arrange adequate financing on acceptable terms and to achieve profitability would have an adverse effect on the financial position, results of operations, cash flows and prospects of the Company and ultimately its ability to continue as a going-concern. The consolidated financial statements do not give effect to any adjustments that might be necessary if the Company were unable to meet its obligations or continue operations.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Exploration and development

Acquisition costs of mineral properties, rights and options together with direct exploration and development expenditures thereon are deferred in the accounts on a property-by-property basis. When there is little prospect of further work on a property being carried out by the Company or when minerals cannot be economically removed due to the current market price of the minerals, the costs of the property are charged to operations.

(b) Amortization

Amortization of capital assets is calculated on a declining balance basis at the following annual rates:

Office equipment	- 20%
Computer equipment	- 30%
Vehicles	- 30%
Mining equipment	- 30%

(c) Net loss per share

Net loss per share computations are based on the weighted average number of common shares outstanding during the year. Issued shares held in escrow are excluded from the determination of weighted average number of shares outstanding where all conditions of their issuance have not been met.

(d) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

(e) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date;
(ii) Non-monetary assets and liabilities at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
(iii) Revenues and expenses (excluding depreciation and amortization which are translated at the same rate as the related asset), at the average rate of exchange for the year.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss.

4. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES

(a) Gold Hill Property, Nevada

By an amended agreement dated February 14, 2001 between the Company and Everett L. Manley (the "Vendor"), the Company has an option to purchase 53 mining claims in the Round Mountain Mining District, Nye County, Nevada located four miles north of Round Mountain in consideration of $1,010,000 U.S. over 10½ years in annual payments on October 1 of the following years:

1997, 1998, 1999 (paid)	$ 25,000
2000 (paid)	$ 10,000
2001	$ 5,000
2002	$ 10,000
2003	$ 20,000
2004	$ 50,000
2005	$ 100,000
2006	$ 664,000

As at August 31, 2001, the Company had paid $178,486 U.S. to the vendor.

By an agreement dated May 2, 2000 between the Company and Round Mountain Gold Corporation (RMGC), the Company has leased RMGC a certain interest in the property.

RMGC will assume the remaining payment obligations to the vendor and make the following payments (U.S. funds) to the Company:

$ 40,000	upon execution of the agreement (paid)
$ 10,000	on May 2, 2001 (paid)
$ 25,000	on May 2, 2002 (paid)
$ 50,000	on May 2, 2003 (paid)
$ 50,000	on May 2, 2004
$ 100,000	on May 2, 2005 and annually thereafter while the agreement is in effect

Terms of the Nevada Star - RMGC agreement include the following:

(i) RMGC will pay the Company $275,000 U.S. in minimum royalty payments over the next 5 years, including $40,000 U.S. immediately and thereafter will pay annual minimums of $100,000 U.S. The minimum royalty payments will apply toward net production royalties of 2% when gold prices exceed $350 U.S. per ounce (1% when gold prices are below $350 U.S. per ounce). Royalty payments are capped at $10 million U.S.

(ii) RMGC will expend $1 million U.S. on exploration, including $100,000 U.S. in each of the first 2 years, and accelerated annual expenditures thereafter.

(iii) RMGC has the exclusive option to purchase the Gold Hill properties at any time while the agreement is in effect.

4. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

(iv) The agreement will be in effect for 10 years and can be extended for further 10-year terms.

Deferred exploration and development expenditures of $313,314 Cdn. have been incurred to date by the Company on the property.

During the year ended August 31, 2003, RMGC informed the Company that it acquired Everett Manley's interest in the Gold Hill Property. Details of RMGC's acquisition were not provided to the Company.

(b) OK Copper Mine, Utah

By an agreement dated November 7, 1997 between the Company and Centurion Mines Corporation (the "Vendor"), the Company purchased copper properties in four townships in Beaver County, Utah. Consideration was the issuance of 2 million common shares of the Company (issued). The Vendor also retained a 12% net profits interest to apply to all copper production coming from any claims. Deferred exploration and development expenditures of $2,368,644 have been incurred to date by the Company on the property.

A finder's fee of 150,000 shares at a price of $0.65 Cdn. was paid in fiscal 1998.

(c) Beaver Lake, Utah

By an agreement dated November 4, 1997 between the Company and Cortex Mining & Exploration Co. Inc. (the "Vendor"), the Company purchased mining claims in Beaver County, Utah. Consideration was 2 million common shares of the Company issued in two tranches: one million shares upon closing (issued) and another one million (issued) upon the Company's successful completion of a favourable feasibility study or upon commencement of commercial production. The Vendor also retains a 2% net smelter return royalty which will not exceed 3 million dollars (U.S.) in aggregate. The Company also granted Cortex one million warrants for the Company's common shares exercisable at $1.00 per share, which have since expired.

A finder's fee of 75,000 shares at a price of $0.65 Cdn. each was paid in fiscal 1998.

4. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

(d) MAN Project, Alaska

The MAN Project, Alaska, is comprised of the Ni-Cu-PGE Eureka Creek and Tangle Lakes Project, the Canwell Glacier property and additional claims staked by the Company.

Ni-Cu-PGE Eureka Creek and Tangle Lakes Project

During the 2002 fiscal year, the Company entered into an agreement with M.A.N. Resources Inc. ("MAN"), of Seattle, Washington to acquire all of the issued and outstanding shares of MAN for consideration totalling $2,849,259 (note 7). MAN holds a 100% interest in the Ni-Cu-PGE Eureka Creek and Tangle Lakes Project located northeast of Anchorage, Alaska, approximately halfway between Anchorage and Fairbanks. The Company owns 100% of the project, approximately 120 square miles of claims.

Canwell Glacier Property

On August 22, 2001, the Company signed a letter of intent with FNX Mining Company Ltd. (formerly Fort Knox Gold Resources Inc.) to acquire an undivided 60% interest in the Canwell Glacier property. In return for this interest, Nevada Star will issue 200,000 shares of the Company to FNX, and agrees to expend U.S. $600,000 on the property. As per the letter of intent, 50,000 shares were issued January 16, 2002 to FNX, following receipt of regulatory approval. U.S. $100,000 was expended within the first twelve month period following receipt of regulatory approval.

During the year ended August 31, 2003, the Company entered into an agreement to acquire a 100% interest in the property by issuing 150,000 common shares (issued) to FNX upon regulatory approval plus an additional 150,000 common shares in equal annual instalments over three years. The Company also issued FNX 300,000 warrants with a three year term, exercisable at $0.32 in year one, $0.37 in year two and $0.42 in year three, valued at $53,430 and included in the property cost. An underlying 2% NSR is payable to American Copper Nickel Company, a joint venture partner of FNX. This agreement was approved by regulatory authorities on June 24, 2003.

During the year ended August 31, 2003 the Company acquired by staking an additional 36 claims covering 720 acres and encompassing a significant nickel-copper-PGE showing. An additional 80 square miles were acquired by staking during the latter part of the 2003 fiscal year. The Company staked additional claims, covering 4,840 acres, the Summit Hill Property, which became part of the MAN Project.

(Canadian Dollars)

5. CAPITAL ASSETS

	2003			2002		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Office equipment	$ 15,021	$13,551	$ 1,470	$15,021	$13,217	$1,804
Computer equipment	6,234	6,003	231	6,234	5,918	316
Mining equipment	33,750	4,284	29,466	0	0	0
Vehicles	70,695	10,673	60,022	0	0	0
	$125,700	$34,511	$91,189	$21,255	$19,135	$2,120

6. CAPITAL STOCK

(a) Authorized
Unlimited number of common shares without nominal or par value

(b) Issued

	August 31, 2003		August 31, 2002	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of year	56,832,823	$15,136,850	30,508,470	$12,326,850
Non-Cash issuances during year				
For mineral property	150,000	15,000	15,650,000	1,565,000
For retirement of debt	3,049,360	433,009	6,179,543	628,278
Cash issuances during				
Private placement	8,526,771	2,429,292	3,344,810	501,722
Options exercised	1,200,000	127,500	1,150,000	115,000
Warrants exercised	2,115,842	606,896	0	0
Balance, end of year	71,874,796	$18,748,547	56,832,823	$15,136,850

On March 24, 2003, upon the conversion of an outstanding debenture, a total of 3,049,360 shares were issued to extinguish $418,275 in debt, which arose upon the acquisition of the MAN Properties in the prior fiscal year. A loss of $14,734 was recognized on the conversion of the debenture.

(Canadian Dollars)

6. CAPITAL STOCK (Continued)

During the year ended August 31, 2003, in total the Company received $2,429,292 in share subscriptions, from two placements that totalled 8,526,771 units of shares. On September 30, 2002, the Company completed the first non-brokered private placement, announced in a prior fiscal year. A total of 1,026,771 units were issued at a price of $0.25 per unit for gross proceeds of $256,692. Each unit consists of one common share and one share purchase warrant entitling the holder thereof to purchase one additional common share in the capital of the Company for a period of eighteen months, at the exercise price of $0.35 in the first nine months and at $0.50 in the second nine months expiring March 31, 2004.

On April 28, 2003, the Company completed the second non-brokered private placement of 7,500,000 units at a price of US $0.20 per unit for gross proceeds of $2,172,600 (US $1.5 million). Each unit consists of one common share plus one share purchase warrant entitling the holder to purchase one additional common share at an exercise price of US $0.25 in the first year, at US$0.35 in the second year and at US $0.75 in the third year expiring April 28, 2006.

At August 31, 2003, the number of shares being held in escrow totalled 10,018,824 (2002 – 13,648,680).

(c) Subscriptions received

The subscriptions received of $23,849 at August 31, 2003 stem from payments for the exercise of warrants as a result of private placements made during the year. Due to the timing of receipt of formal documentation, warrants were exercised subsequent to year end.

(d) Stock options

Details of the status of the Company's stock option plans as at August 31, 2003 are as follows:

	2003		2002	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	2,531,717	$ 0.11	0	$ 0.10
Granted	500,000	0.25	4,000,000	$ 0.11
Exercised	(1,200,000)	0.11	(1,150,000)	$ 0.10
Expired	0	0.00	0	$ 0.00
Returned	(250,000)	0.25	(318,283)	$ 0.10
Outstanding, end of year	1,581,717	$ 0.13	2,531,717	$ 0.11

During the year, 1,200,000 share purchase options were exercised for proceeds of $127,500.

At August 31, 2003, the following share purchase options were outstanding:

	Exercise	Number of Shares	
Expiry Date	Price	2003	2002
October 16, 2003	$ 0.10	381,717	1,531,717
March 5, 2007	$ 0.1275	1,000,000	1,000,000
September 27, 2005	$ 0.25	200,000	0

Subsequent to year end, 381,717 share options were exercised for net proceeds of $38,172.

(Canadian Dollars)

6. CAPITAL STOCK (Continued)

(e) Stock based compensation

The Company has elected to measure compensation costs using the intrinsic value-based method for employee stock options. Had the compensation costs been determined based on the fair value of the options at the grant date using the Black-Scholes option pricing model, additional compensation expense would have been recorded in the statement of operations of the period, with pro forma results as presented below. As option exercise prices approximated market prices at the dates of grants, no compensation expense has been recognized.

(i) During the year ended August 31, 2002, the Company granted a total of 3,000,000 stock options to directors and employees of the Company at an exercise price of $0.10 per share which will expire October 16, 2003. A further 1,000,000 stock options were granted to a director at an exercise price of $0.1275 per share which will expire on March 5, 2007.

(ii) During the year ended August 31, 2003, the Company granted a total of 500,000 stock options to officers, directors and consultants at an exercise price of $0.25 which will expire September 27, 2005. The amount of $56,295 was included in promotion expense, to reflect the expense of stock options issued to consultants.

Had compensation expense been determined under the fair value method using the Black-Scholes option – pricing model, the pro-forma effect on the Company's net loss and per share amounts would have been as follows:

	2003	2002
Net loss, as reported	$(380,320)	$(269,052)
Add: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(6,255)	(104,320)
Net loss, pro-forma	$(386,575)	$(373,372)
Net loss per share, as reported	$ (0.008)	$ (0.006)
Add: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(0.000)	(0.004)
Net loss per share, pro-forma	$(0.008)	$(0.010)

The fair value of each option grant is calculated using the following weighted average assumptions:

NEVADA STAR RESOURCE CORP.
Notes to Consolidated Financial Statements
Years Ended August 31, 2003 and 2002
(Canadian Dollars)

6. CAPITAL STOCK (Continued)

Expected life (years)	3
Interest rate	4.50%
Volatility	71.49%
Dividend yield	0.00%

(f) Warrants outstanding

As of August 31, 2003, the following warrants were outstanding:

Expiry Date	Exercise Price	Number of Shares **2003**	**2002**
February 25, 2003	$0.25		
February 25, 2004	$0.50	162,000	258,700
March 28, 2003	$0.25		-
March 28, 2004	$0.50	1,140,484	1,290,484
June 3, 2003	$0.25		
June 3, 2004	$0.50	290,000	640,890
June 20, 2003	$0.25		
June 20, 2004	$0.50	415,823	1,154,736
June 30, 2003	$0.35		
March 31, 2004	$0.50	247,432	0
April 28, 2004	US$0.25		
April 28, 2005	US$0.35		
April 28, 2006	US$0.75	7,500,000	0
July 29, 2004	$0.32		
July 29, 2005	$0.37		
July 29, 2006	$0.42	300,000	0
Balance, end of year		10,055,739	3,344,810

(Canadian Dollars)

7. SALE AND PURCHASE AGREEMENT

During the year ended August 31, 2002, the Company entered into a share purchase and sale agreement with M.A.N. Resources Inc. ("MAN") of Seattle, Washington to acquire all of the issued and outstanding shares of MAN for consideration totalling $2,849,259. MAN holds a 100% interest in the Ni-Cu-PGE Eureka Creek and Tangle Lakes Project located northeast of Anchorage, Alaska, approximately halfway between Anchorage and Fairbanks. The Project encompassed approximately 120 square miles of claims.

The terms of the share purchase and sale agreement required the Company to issue 15,600,000 common shares of its capital stock at a deemed price of $0.10 per share to the shareholders of MAN, together with two convertible debentures, to be issued to two insiders of the Company. The $1,337,038 (US $842,334) debentures will be convertible into a maximum of 9,400,000 common shares of the Company, at a conversion price of CDN $0.142 per share during the first three years, CDN $0.192 during the fourth year and CDN $0.242 during the fifth year. During the year ended August 31, 2002, regulatory approval was received and the agreement was executed. The debentures are repayable on demand.

The convertible debentures accrue interest at 5% per annum over their five year term. A market rate of interest for a non-convertible debt offering, representative of the Company's credit standing would be 10%. Therefore, the Company has received an interest benefit of 5% for the holder's conversion right, over the five year life of the debentures. The present value of this conversion benefit, totalling $171,630 (2002 - $283,624) has been recorded on these financial statements as the equity portion of convertible debentures.

As of January 9, 2002, the Company acquired 100% of MAN. The acquisition has been accounted for using the purchase method of accounting for business combinations. Assets of the acquired entity are more fully described above. For the purpose of the acquisition, the common shares were valued at $0.10 per share. The net assets acquired were as follows:

Resource property		$ 2,816,916
Current assets		54,184
		2,871,100
Total liabilities		(1,452,621)
Net assets acquired		1,418,479
Consideration paid:		
Common stock	$1,560,000	
Convertible debentures	1,337,038	$2,897,038
Excess of consideration paid over net assets acquired, allocated to the acquisition cost of property		$(1,478,559)

7. SALE AND PURCHASE AGREEMENT (Continued)

Of the 15,600,000 common shares issued for the acquisition of MAN, 13,648,680 shares issued to two insiders of the Company are held in escrow and are subject to the release terms of a TSX Venture Exchange Tier 2 Surplus Security Escrow Agreement (6 years). The escrow term may be reduced to that of a Tier 2 Value Security Escrow Agreement (3 years) upon the Company receiving a positive recommendation to proceed with a proposed second phase work program and raising sufficient funds to conduct the work program. Should the debentures be converted into common shares of the Company, those shares would be subject to the same escrow terms.

During the third quarter of fiscal 2003, 3,049,360 common shares were issued at a price of CDN $0.142 upon the conversion of an outstanding debenture to extinguish $418,275 (US$273,279) in debt.

During fiscal 2003, the Company satisfied the conditions and the TSX Venture Exchange accepted the Company's application for early release of the escrow securities. During fiscal 2003, 5,459,472 common shares were released from escrow for the acquisition of MAN and 1,219,744 common shares were released from escrow from the conversion of a debenture.

8. RELATED PARTY TRANSACTIONS

Related party transactions consist of the following:

(a) Consulting fees of $46,057(2002 - $25,469) paid to directors and officers.

(b) Management fees of $30,000 (2002 - $12,500) paid to a company owned by the President and Director of the Company.

(c) Rent and office expenses of $23,544 (2002 - $23,784) paid to a Company with common directors.

(d) Included in accounts payable is $2,842 (2002 - $603) due to directors, officers or companies controlled by them.

(e) A shareholder and director has made advances to the Company which were outstanding in whole or in part at the year-end in the amount of $241,458 (2002 - $134,478). These advances are interest bearing at a rate of prime plus 2% and have no fixed terms of repayment. For the year ended August 31, 2003, $15,648 (2002 - $2,690) was charged to the Company for accrued interest on the advances.

(f) During the prior year, the Company entered into a share purchase and sale agreement with MAN (note 7). As part of this agreement, 13,648,680 of the 15,600,000 shares issued and two convertible debentures, totalling $1,289,259 were issued to two Company insiders. The Company and MAN are related by way of common directors. On March 24, 2003, a US $273,279 debenture was converted into 3,049,360 shares at a price of CDN $0.142 per share. These shares were placed into escrow and will be subject to the same release terms as the shares issued to insiders for the acquisition of M.A.N. Resources Inc. During fiscal 2003, 5,459,472 common shares were released from escrow for the acquisition of MAN and 1,219,744 common shares were released from escrow from the conversion of a debenture.

(Canadian Dollars)

9. INCOME TAX LOSSES

The Company has operating losses which may be carried forward to apply against future years' income for Canadian income tax purposes. The tax effect has not been recorded in the financial statements. These losses expire as follows:

Available to	Amount
2004	$213,000
2005	204,000
2006	125,000
2007	56,000
2008	71,000
2009	270,000
2010	370,000
	$1,309,000

The components of the future income tax assets are as follows:

	2003	**2002**
Future income tax assets		
Non-capital loss carry-forwards	$1,309,000	$1,328,000
Unused cumulative foreign exploration and development expense	11,820,425	10,272,112
Unused cumulative Canadian exploration and development expenses	35,000	35,000
	13,164,425	11,635,112
Appropriate tax rate	36%	46%
	4,739,193	5,352,153
Less: Valuation allowance	(4,739,193)	(5,352,153)
	$0	$0

The valuation allowance reflects the Company's estimate that the tax assets likely will not be realized.

The non-capital losses are carried forward for tax purposes and are available to reduce taxable income of future years. These losses expire commencing in 2004 through 2010. The exploration and development expenses can be carried forward indefinitely.

(Canadian Dollars)

10. DIFFERENCES BETWEEN CANADIAN AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

(a) Exploration expenditures

Under Canadian GAAP acquisition costs and exploration expenditures are capitalized (note 3(a)).

Under US GAAP, exploration costs incurred in locating areas of potential mineralization are expensed as incurred. Commercial feasibility is established in compliance with Industry Guide 7 which consists of identifying that part of a mineral deposit that could be economically and legally extracted or produced at the time of the reserve determination. After an area of interest has been assessed as commercially feasible, expenditures specific to the area of interest for further development are capitalized. In deciding when an area of interest is likely to be commercially feasible, management may consider, among other factors, the results of prefeasibility studies, detailed analysis of drilling results, the supply and cost of required labour and equipment, and whether necessary mining and environmental permits can be obtained.

Under US GAAP, mining projects and properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. If estimated future cash flows expected to result from the use of the mining project or property and its eventual disposition are less than the carrying amount of the mining project or property, an impairment is recognized based upon the estimated fair value of the mining project or property. Fair value generally is based on the present value of estimated future net cash flows for each mining project or property, calculated using estimated mineable reserves and mineral resources based on engineering reports, projected rates of production over the estimated mine life, recovery rates, capital requirements, remediation costs and future prices considering the Company's hedging and marketing plans.

(b) Reconciliation of total assets, liabilities and shareholder's equity:

	2003	2002
Total assets for Canadian GAAP	$ 12,029,208	$9,140,687
Adjustments to US GAAP	(10,525,395)	(8,837,596)
Total assets for US GAAP	$1,503,813	$303,091
Total liabilities per Canadian GAAP	$1,076,855	$1,206,368
Adjustments to US GAAP	171,630	283,624
Total liabilities for US GAAP	$1,248,485	$1,489,992
Total equity for Canadian GAAP	10,952,353	7,934,319
Adjustments to US GAAP	(10,697,025)	(9,121,220)
Total equity (deficit) for US GAAP	255,328	(1,186,901)
Total equity and liabilities for US GAAP	$1,503,813	$303,091

For Canadian GAAP purposes convertible debentures are considered a combined instrument, part debt and part equity. For US GAAP purposes, the debentures are considered debt.

(Canadian Dollars)

10. DIFFERENCES BETWEEN CANADIAN AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) (Continued)

(c) Reconciliation of loss reported in Canadian GAAP and US GAAP:

	2003	**2002**
Statement of operations for year ended August 31, Reconciliation of net loss from Canadian GAAP to US GAAP		
Net loss per Canadian GAAP	$(380,320)	$(269,052)
Acquisition of mineral properties	(139,485)	(2,913,432)
Exploration and development costs net	(1,548,314)	(349,723)
Net loss per US GAAP	$(2,068,119)	$(3,532,207)
Net loss per share in accordance with:		
Canadian GAAP	$(0.008)	$(0.006)
Total differences	$(1,687,799)	$(3,263,155)
Net loss per share in accordance with US GAAP	$(0.04)	$(0.09)
Weighted average number of shares outstanding	48,689,646	36,051,088

Under US GAAP advances, loans (and repayments thereof) from shareholders are classified as financing activities in the statement of cash flows. The effect on the statements of cash flows is as follows:

	2003	**2002**
Operating Activities		
Cash provided by (used in) operations per Canadian GAAP	$(101,395)	$(169,093)
Shareholder advances, loans	106,980	61,073
Cash provided by (used in) operations per US GAAP	$5,585	$(108,020)
Financing Activities		
Shareholder loans, advances per Canadian GAAP	$0	$0
Shareholder loans, advances per US GAAP	$106,980	$61,073

(Canadian Dollars)

10. DIFFERENCES BETWEEN CANADIAN AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) (Continued)

(d) Accounting pronouncements

In December 2002, FASB issued SFAS 148, "Accounting for Stock-based Compensation - Transition and Disclosure, an amendment to SFAS 123". SFAS 148 provides two additional transition methods for entities that adopt the preferable method of accounting for stock-based compensation. Further, the statement requires disclosure of comparable information for all companies regardless of whether, when, or how an entity adopts the preferable, fair value method of accounting. These disclosures are now required for interim periods in additional to the traditional annual disclosure. The amendment to SFAS 123, which provides for additional methods, are effective for the periods beginning after December 15, 2002, although earlier application is permitted. The amendments to the disclosure requirements are required for financial reports containing condensed financial statements for interim periods beginning after December 15, 2002. The Company adopted these requirements effective September 1, 2002.

(e) Comprehensive loss

	Years Ended August 31,	
	2003	**2002**
Net loss per US GAAP	$(2,074,374)	$(3,636,527)
Other comprehensive income (loss)	0	0
Comprehensive loss per US GAAP	$(2,074,374)	$(3,636,527)

11. SUBSEQUENT EVENT

(a) Management Changes

Subsequent to August 31, 2003, the Company announced several senior leadership changes effective November 1, 2003. Mr. Gerald G. Carlson resigned as President and Mr. Robert Angrisano stepped in as interim President. Mr. Monty Moore was appointed as interim Chief Executive Officer.

(b) Options and Warrants Exercised

Subsequent to August 31, 2003, 381,717 stock options were exercised at $0.10 per share for gross proceeds of $38,171. In addition, 250,000 warrants were exercised at US $0.25 per share for gross proceeds of $78,125 (US $62,500) and 3,144 warrants were exercised at $0.25 per share for gross proceeds of $786.

12. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, accounts payable, amounts due to shareholder and convertible debentures.

(i) Fair value

The carrying value of cash, accounts receivable, accounts payable, amounts due to shareholder and convertible debentures approximate their fair value because of the short maturity of these financial instruments.

(ii) Interest rate risk

The Company is not exposed to significant interest rate cash flow risk for the convertible debentures, as they are at a fixed rate of interest. The Company is exposed to interest rate cash flow risk with regards to its loan due to shareholder. This loan accrues interest at a rate of interest tied to the commercial bank prime interest rate.

(iii) Credit risk

The Company is not exposed to credit risk with respect to its receivables as these are due from the Government of Canada.

(iv) Foreign exchange risk

The Company is exposed to foreign exchange risk to the extent that its accounts payable and its convertible debenture are denominated in U.S. dollars. The Company mitigates this foreign exchange risk where possible, by matching U.S. dollars received for capital stock transactions, to U.S. dollar denominated debts.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

During the Company's two most recent fiscal years and any later interim periods, neither the principal accountant nor a significant subsidiary's independent accountant on whom the principal accountant expressed reliance in its report, resigned (or declined to stand for re-election) or was dismissed.

ITEM 8A. CONTROLS AND PROCEDURES

Based on a recent evaluation as of the end of the period covered by this Annual Report on Form 10-KSB, the Company's President has concluded that the Company's disclosure controls and procedures (as defined in the Exchange Act Rules 13a-14 and 15d-14) are effective in timely alerting them to material information relating to the Company (including its consolidated subsidiaries) required to be included in the Company's periodic SEC filings. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date the Company carried out its evaluation.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Name	Age	Office with the Company	Appointed Director
Monty Moore	67	Chairman, CEO and Director	1993
Robert Angrisano	49	President and Director	1999
Gerald G. Carlson	57	Director	2002
Richard W. Graeme	62	Director	1994
Stuart Havenstrite	71	Director	1994

Monty Moore, Chairman, CEO and Director
Mr. Moore was appointed Chairman of the Company in 2002 but previously held the position of President since 1993. Since 1971, Mr. Moore has been a private contractor from Seattle, Washington. Mr. Moore is a member of the Northwest Mining Association.

Robert Angrisano, **President and Director**
Mr. Angrisano graduated from University of Oregon with a degree in Business Administration. Mr. Angrisano has been employed by Microsoft Corp. since 1993 and is currently a Senior Principal Technologist for Microsoft. He was the President, Director and principal shareholder of M.A.N. Resources, Inc., which was recently acquired by the Company. Mr. Angrisano is a Fire Commissioner for Kittitas County Fire District #8 and serves on one other Board, none public or related to mining.

Mr. Angrisano has spent 26 years as a consultant and technologist in high tech industry. He has held a variety of management and executive positions involved in guiding companies' directions and strategies

Gerald G. Carlson, P. Eng., Director
Dr. Carlson has been involved for over 30 years in managing mineral exploration and mining development companies. His experience has focused on precious and base metal deposits around the Pacific Rim, including western North America, Mexico, Central America, South America, Australia and Asia. This experience has included independent consulting assignments, management of major company exploration programs, junior mining companies and university level teaching. He is also President and Director of Copper Ridge Explorations Inc., Chairman and Director of IMA Exploration Inc., Director of Fairfield Minerals Ltd., and Director of Orphan Boy Resources Inc. Dr. Carlson was President of La Teko Resources Ltd., which was acquired by Kinross Gold Corporation. He has taken an active role in professional geoscience associations on both local and national levels and is President of the Society of Economic Geologists Canada Foundation and a past President of the British Columbia and Yukon Chamber of Mines. Dr. Carlson's international reputation and extensive experience in managing mineral exploration and mining development companies throughout the world lends the Company a high profile in mining and investment communities.

Richard W. Graeme, Director
Mr. Graeme graduated from the University of Arizona with a Bachelor of Science Degree with a major in Geological Engineering. Since 1999, he has been Managing Director of Gold Fields Ghana Ltd., a Gold Fields Limited company. Gold Fields Ghana Limited has two large open pit mines and produces between 800,000 and 900,000 ounces of gold per year. He is also Vice President - Head of Operations Ghana, for Gold Fields Limited. From 1996 to 1999, Mr. Graeme was Vice-President of Operations for Golden Queen Mining Company, Mojave, California where his responsibilities included permitting and bringing the Soledad Mountain project into production. From 1993 to 1996, Mr. Graeme was employed as an Engineer by Mine Development Associates, Reno Nevada. Mr. Graeme is a member of the American Institute of Mining, Metallurgical and Petroleum Engineers (AIME).

Stuart Havenstrite, Director
Stuart Havenstrite is President and sole employee of Havenstrite Management Services, a geological and mine management company specializing in mine development and mine remediation. Between 1987 and 1990, he was President and Chief Operating Officer of Alta Gold Co. where he was responsible for operating six mines processing 27,000 tonnes per day. Mr. Havenstrite is a Certified Professional Geologist with the American Institute of Professional Geologists and he graduated from Stanford University in 1956 with a B.Sc. in Mining and Petroleum Geology. He is a member of AIME, MMSA and several local mining discussion groups.

(b) Identification of Certain Significant Employees

The Company has no employees.

(c) Family Relationships

There are no family relationships between any of the directors and officers

(d) Involvement in Certain Legal Proceedings

No Director, or person nominated to become a Director or Executive Officer, has been involved in any of the enumerated events during the past five years.

(e) Audit Committee Financial Expert

The board of directors has determined that there is no financial expert on its audit committee. The Company expects to expand its board at the next annual general meeting to address this issue.

(f) Identification of Audit Committee

The current members of the audit committee are Robert Angrisano, Gerald Carlson and Stuart Havenstrite. The Company does not currently have a written audit committee charter. Presently, Mr. Havenstrite is the only director deemed to be an independent director as that term is defined in Rule 4200(a)(14) of the NASD's listing standards. After the next annual general meeting, the Company intends to appoint an audit committee composed entirely of directors who meet the independence requirements.

Compliance with Section 16(a) of the Exchange Act

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to Company pursuant to Section 240.16a-3 during its most recent fiscal year and Form 5 and amendments thereto furnished to the Company with respect to the most recent fiscal year, there were no delinquent filings.

Code of Ethics

The Company has a Code of Business Conduct (the "Code") that applies to the Chief Executive Officer and all senior financial officers of the Company that includes provisions covering conflicts of interest, ethical conduct, compliance with applicable government laws, rules and regulations, and accountability for adherence to the Code. A copy of the Code is posted on the Company's website. Any waiver of any provision of the Code granted to a Senior Officer may only be granted by the full Board of Directors or its Audit Committee. If a waiver is granted, information concerning the waiver will be posted on the Company's website www.nevadastar.com for a period of 12 months. A copy of the Code of Ethics may be obtained from the Secretary of the Company at no charge upon request.

ITEM 10. EXECUTIVE COMPENSATION

(a) Summary Compensation Table

The following table sets forth the compensation paid by the Company to its Chief Executive Officer and executive officers whose total annual salary and bonus exceeded $100,000 during the last completed financial year ("Executive Officers"). Except as set forth below, no officer or Executive Officer of the Company received compensation in excess of $100,000 during the past three calendar years. This information includes the dollar value of base salaries, bonus awards and number of stock options granted, and certain other compensation, if any.

During the year ended August 31, 2003, Gerald Carlson was the principal Executive Officer for the Company. Subsequent to the year end, Mr. Carlson resigned as President and Robert Angrisano was appointed as President, both on November 1, 2003.

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compen-sation ($)	Securities Under Options/ SARs Granted (#)	Restricted Shares / Units Awarded ($)	LTIP Payouts ($)	All Other Compen-sation ($)
Gerald G. Carlson *Former President, and Director*	2003	$Nil	$Nil	$30,000	Nil	$Nil	$Nil	$Nil

(b) Option/SAR Grants

There were no options or SAR grants to the Named Executive Officer during the last completed financial year.

(c) Aggregated Option/SAR Exercises and Fiscal Year-End Option/SAR Value Table

The following table sets forth incentive stock options exercised by the Named Executive Officer during the most recently completed financial year as well as the fiscal year-end value of stock options held by the Named Executive Officer. During this period, no outstanding SARs were held by the Named Executive Officer.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (CDN $) (1)	Unexercised Options/SARs at the Financial Year End (#) Exercisable/ Unexercisable	Value of Unexercised in-the Money Options/SARs at Financial Year End ($) Exercisable/ Unexercisable (2)
Gerald Carlson *Former President, and Director*	Nil	$Nil	1,000,000/Nil	$252,500/Nil

(1) Based on the difference between the option exercise price and the closing market price of the Company's shares on the date of exercise.

(2) In-the-Money Options are those where the market value of the underlying securities as at the most recent financial year end exceeds the option price. The closing market price of the Company's shares on the TSX Venture Exchange as at August 31, 2003 (ie., the financial year end) was $0.38.

(d) Long-Term Incentive Plan ("LTIP") Awards

The Company did not have a long-term incentive awards plan during the most recently completed financial year.

(e) Compensation of Directors

Standard Arrangements

During the most recently completed financial year, there were no standard arrangements pursuant to which directors of the Company were compensated for any services provided as a director, including any additional amounts payable for committee participation or special assignments.

Other Arrangements

During the most recently completed financial year, there were no other arrangements pursuant to which directors of the Company were compensated for any service provided as a director.

(f) Employment Contracts and Termination of Employment, and Change-in Control Arrangements

KGE Management Ltd. ("KGE"), a private company beneficially owned by Gerald G. Carlson, Director of the Company, is paid a fee of $2,500 per month for management services which includes the day-to-day operation of the Company and overseeing exploration programs. During Fiscal 2003, KGE was paid management fees totaling $30,000. This arrangement was terminated by mutual consent on November 1, 2003.

(g) Report on Repricing of Options/SARs

There were no option/SAR repricings during the most recently completed financial year.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

(a) Securities Authorized for Issuance Under Equity Compensation Plans.

The Company does not have a formal stock option plan for the granting of incentive stock options to the officers, employees and directors. However, in the past the Company has granted stock options to certain of its officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

(b) Security Ownership of Certain Beneficial Owners

The following table sets forth each person known to us, as of December 5, 2003, to be a beneficial owner of five percent (5%) or more of the Company's outstanding common stock. No other class of voting securities is outstanding. Except as noted, each person has sole voting and investment power with respect to the shares shown.

As of August 31, 2003, there were 71,874,796 shares issued and outstanding. Subsequent to August 31, 2003, 381,717 stock options were exercised at $0.10 per share for gross proceeds of $38,171.70 and 150,000 stock options were exercised at $0.1275 per share for gross proceeds of $19,125. In addition, 250,000 warrants were exercised at US $0.25 per share for gross proceeds of US $62,500 and 3,144 warrants were exercised at $0.25 per share for gross proceeds of $786.

As of December 5, 2003, there were 72,659,657 shares of common stock outstanding and 17,203,235 shares of common stock issuable upon exercise of warrants, options and convertible debentures which are exercisable within 60 days.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common	Monty Moore 10735 Stone Avenue N. Seattle, WA, USA 98133	21,975,134 (1)	24.5%
Common	Robert Angrisano P.O. Box 119 Snoqualmie Pass, WA, USA 98068	12,011,896 (2)	13.4%

(1) Includes 17,285 shares owned by Pacific Rainier, Inc., a privately held company controlled by Mr. Moore and a maximum of 6,350,640 shares issuable upon conversion of a debenture expiring on July 3, 2007.

(2) Includes 11,511,896 shares held directly by Mr. Angrisano and 500,000 share purchase warrants expiring on April 28, 2006.

(c) Security Ownership of Management

The following table sets forth as of December 5, 2003 the number and percentage of shares of Common Stock of the Company or any of its parents or subsidiaries beneficially owned (as such term is defined in Rule 13d-3 under the Exchange Act) by each director, each of the named executive officers and directors and officers as a group.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common	Monty Moore 10735 Stone Avenue N. Seattle, WA, USA 98133	21,975,134 (1)	24.5%
Common	Robert Angrisano P.O. Box 119 Snoqualmie Pass, WA, USA 98068	12,011,896 (2)	13.4%
Common	Gerald G. Carlson Suite 500, 625 Howe Street Vancouver, BC, Canada, V6C 2T6	1,156,780 (3)	1.3%
Common	Stuart Havenstrite 8111 Maio Drive Sandy, Utah, USA 84093	562,401	0.6%
Common	Richard W. Graeme P. O. Box 4272 Bisbee, Arizona, USA 85603	100,000	0.1%
Common	Directors and Officers as a Group (5 individuals)	35,806,211	39.8%

(1) Includes 17,285 shares owned by Pacific Rainier, Inc., a privately held company controlled by Mr. Moore and a maximum of 6,350,640 shares issuable upon conversion of a debenture expiring on July 3, 2007.

(2) Includes 11,511,896 shares held directly by Mr. Angrisano and 500,000 share purchase warrants expiring on April 28, 2006.

(3) Includes 127,590 shares owned by KGE Management Ltd., a privately held company controlled by Mr. Carlson, 150,000 shares held directly by Mr. Carlson, 850,000 options currently exercisable expiring on March 5, 2007 and 29,190 shares issuable to KGE Management Ltd. upon the exercise of share purchase warrants expiring on April 28, 2006.

(d) Changes in Control

Management is not aware of any arrangements which may result in a change in control of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

(a) Transactions with Management and Others

The Company was or is a party to the following transactions during the last two years, or proposed transactions, in which any of the following persons had or is to have a direct or indirect material interest: (1) any director or executive officer of the Company; (2) any nominee for election as a director; (3) any beneficial owner of five percent (5%) or more of the Company's outstanding common stock; and (4) any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the persons in paragraph (a)(1), (2) or (3) of this item:

(i) Monty Moore, a shareholder, officer and director, made advances to the Company which were outstanding in whole or in part at the year ended August 31, 2003 (in the amount of $241,458) and August 31, 2002 (in the amount of $134,478). There is no written agreement between the Company and Mr. Moore with regard to the repayment of the monies advanced. Initially, the monies were advanced on an interest free basis but commencing Fiscal 2002, the advances became interest bearing at a rate of prime plus 2% and have no fixed terms of repayment. The monies are expected to be repaid at the point at which the Company has adequate revenues to make such payments without restricting the operations of the Company. In the alternative, upon approval of Mr. Moore and the Board of Directors, the advances may be converted to equity. During Fiscal 2003 and Fiscal 2002, $15,648 and $2,690, respectively, were charged to the Company for accrued interest expense.

(ii) During the year ended August 31, 2002, Kevin Weaver, a shareholder and former director of the Company, received 6,000,000 shares of Common Stock at a deemed price of $0.10 per share pursuant to a debt settlement for loans made to the Company over several years.

(iii) During the year ended August 31, 2002, Stuart Havenstrite, a shareholder and director of the Company, received 179,543 shares of Common Stock at a deemed price of $0.1575 per share pursuant to a debt settlement for geological services rendered over a two-year period.

(iv) On January 9, 2002, the Company entered into a Share Purchase and Sale Agreement with the shareholders of MAN to acquire 100% of the issued and outstanding share capital of MAN. See “Terms of Acquisition” on page 16 for the terms of acquisition. MAN was controlled by Monty Moore, Chairman, CEO and Director of the Company, and Robert Angrisano, President and Director of the Company. There were also a number of other minority shareholders. The Share Purchase and Sale Agreement was ratified by the shareholders at the Company’s annual general and special meeting on May 15, 2002.

(v) KGE Management Ltd. (“KGE”), a private company beneficially owned by Gerald G. Carlson, Director of the Company, is paid a fee of $2,500 per month for management services which includes the day-to-day operation of the Company and overseeing exploration programs. During Fiscal 2003 and Fiscal 2002, KGE was paid management fees totaling $30,000 and $12,500, respectively. This arrangement was terminated by mutual consent on November 1, 2003.

(vi) The Company's executive offices are rented from Copper Ridge Explorations Inc. (“Copper Ridge”), a public company in which Gerald G. Carlson, Director of the Company, is a director and officer. The Company’s rent is $1,500 per month for 50% use of the office space plus the reimbursement of 50% of the cost for equipment rental, telephone lines and office supplies. There is no lease or rent agreement between Copper Ridge and the Company. During Fiscal 2003 and Fiscal 2002, $23,544 and $23,784, respectively, was paid to Copper Ridge for rent and the reimbursement of office expenses.

The rent paid to Copper Ridge and the terms of the other transactions between the Company and its directors and executive officers discussed above were fair and reasonable and were upon terms at least as favourable as the Company could have obtained from unrelated third parties.

Aside from the foregoing, there have been no other transactions or series of transactions, or proposed transactions during the last two years to which the Company is a party in which any director, nominee for election as a director, executive officer or beneficial owner of five percent or more of the Company’s common stock, or any member of the immediate family of the foregoing had or is to have a direct or indirect material interest exceeding $60,000.

The Company's Articles do not prohibit transactions in which the Company's promoters, management, affiliates or associates directly or indirectly have an interest. Therefore, there is (always) a "present potential" that the Company may acquire or merge with a business or company in which the Company's promoters, management, affiliates or associates directly or indirectly have an interest, there is however, no present or contemplated intent that such an event may occur. In the event that such a transaction was proposed, under the rules of the TSX Venture Exchange, any such transaction would be deemed a "Major Transaction" and would be subject to prior shareholder approval and the approval of the TSX Venture Exchange. In structuring any such transaction, the directors would be bound by their fiduciary duty to act in the best interest of the Company's shareholders. In the event that management's fiduciary duties were compromised any available remedy under applicable law would likely be prohibitively expensive and time consuming.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of the report:

1. Financial Statements:

   Independent Auditors' Reports

   Consolidated Balance Sheets at August 31, 2003 and 2002

   Consolidated Statements of Operation and Deficit for the years ended August 31, 2003 and 2002

   Consolidated Statements of Cash Flows for the years ending August 31, 2003 and 2002

   Consolidated Statements of Investment In and Expenditures On Resource Properties for the years ended August 31, 2003 and 2002

   Notes to Consolidated Financial Statements

2. Exhibits required by Item 601:

   (3)(i) Articles of Incorporation. (2)
   (3)(ii) Bylaws. (2)
   (10) Material contracts. (2)
   (13) Annual report to security holders, Form 10Q or quarterly report to security holders. (2)
   (14) Code of Ethics - attached
   (31) Rule 13a-14(a)/15d-14(a) Certifications - attached
   (32) Section 906 certifications - attached
   (99) Additional Exhibits. (1)

   (1) These items have either been omitted or are not applicable
   (2) Incorporated by reference to previous filing

(b) No reports have been filed on Form 8-K during the last fiscal quarter covered by this report.

(c) Financial Statements are filed herewith.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Company is not required to comply with this item.

SUPPLEMENTAL INFORMATION TO BE FURNISHED WITH REPORTS FILED PURSUANT TO SECTION 15(d) OF THE EXCHANGE ACT BY NON-REPORTING ISSUERS

(a) Audit Fees

The aggregate fees billed for professional services rendered by the Company's principal accountant for the audit of the Company's annual financial statements for the fiscal years ended August 31, 2003 and 2002 and the reviews off the financial statements included in the Company's Forms 10-QSB during those fiscal years were $13,500 and $13,500, respectively.

(b) Audit Related Fees

The Company incurred no fees during the last two fiscal years for assurance and related services by the Company's principal accountant that were reasonably related to the performance of the audit or review of the Company's financial statements.

(c) Tax Fees

The Company incurred fees of $2,000 during the last two fiscal years for professional services rendered by the Company's principal accountant for tax compliance, tax advice and tax planning.

(d) All Other Fees

The Company incurred other fees of $5,800 during the last two fiscal years for products and services rendered by the Company's principal accountant.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEVADA STAR RESOURCE CORP.
(Registrant)

December 11, 2003	/s/ Robert Angrisano
Date	Robert Angrisano, President and Director (Principal Executive Officer)

In accordance with the Exchange Act, this report has been signed below by the following persons representing a majority of the Board of Directors on behalf of the registrant and in the capacities and on the dates indicated.

December 11, 2003	/s/ Monty Moore
Date	Monty Moore, Chairman, CEO and Director
December 11, 2003	/s/ Gerald G. Carlson
Date	Gerald G. Carlson, Director
December 11, 2003	/s/ Stuart Havenstrite
Date	Stuart Havenstrite, Director

Exhibit 14

NEVADA STAR RESOURCE CORP.

CODE OF ETHICS FOR CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS

1. The Chief Executive Officer and all senior financial officers are responsible for full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the Company with the SEC. Accordingly, it is the responsibility of the CEO and each senior financial officer promptly to bring to the attention of the Disclosure Committee (or in the event that the Company has not established a Disclosure Committee, to the Board of Directors) any material information of which he or she may become aware that affects the disclosures made by the Company in its public filings or otherwise assist the Disclosure Committee in fulfilling its responsibilities.

2. The CEO and each senior financial officer shall promptly bring to the attention of the Disclosure Committee and the Audit Committee (or in the event that the Company has not established an audit committee, to the Board of Directors) any information he or she may have concerning (a) significant deficiencies in the design or operation of internal controls which could adversely affect the company’s ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s financial reporting, disclosures or internal controls.

3. The CEO and each senior financial officer shall promptly bring to the attention of the General Counsel or the CEO and to the Audit Committee any information he or she may have concerning any actual or apparent conflicts of interest between personal and professional relationships, involving any management or other employees who have a significant role in the Company’s financial reporting, disclosures or internal controls.

4. The CEO and each senior financial officer shall promptly bring to the attention of the General Counsel or the CEO and to the Audit Committee any information he or she may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof, or of violation of these procedures.

5. The Board of Directors shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of these procedures by the CEO and the Company’s senior financial officers. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to these procedures, and shall include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits (as determined by the Board) and termination of the individual’s employment. In determining what action is appropriate in a particular case, the Board of Directors or such designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in questions had committed other violations in the past.

Exhibit 31.1

CERTIFICATION

Robert Angrisano, President and Principal Executive Officer

I, Robert Angrisano, President and Principal Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-KSB of Nevada Star Resource Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Small Business Issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Small Business Issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Small Business Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Small Business Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Small Business Issuer's internal control over financial reporting that occurred during the Small Business Issuer's fourth fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Small Business Issuer's internal control over financial reporting; and

5. The Small Business Issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Small Business Issuer's auditors and the audit committee of the Small Business Issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting.

Dated: December 11, 2003

/s/ Robert Angrisano

Robert Angrisano, President and
Principal Executive Officer

Exhibit 31.2

CERTIFICATION

Karen Liu, Corporate Secretary and Principal Financial Officer

I, Karen Liu, Corporate Secretary and Principal Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-KSB of Nevada Star Resource Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Small Business Issuer as of, and for, the periods presented in this report;

4. The Small Business Issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Small Business Issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Small Business Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Small Business Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Small Business Issuer's internal control over financial reporting that occurred during the Small Business Issuer's fourth fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Small Business Issuer's internal control over financial reporting; and

5. The Small Business Issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Small Business Issuer's auditors and the audit committee of the Small Business Issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting.

Dated: December 11, 2003

/s/ Karen Liu

Karen Liu, Corporate Secretary and
Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Nevada Star Resource Corp. (the "Company") on Form 10-KSB for the period ending August 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Robert Angrisano, President and Principal Executive Officer of the Company, and Karen Liu, Corporate Secretary and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert Angrisano

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Robert Angrisano, President and
Principal Executive Officer
December 11, 2003

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Nevada Star Resource Corp. (the "Company") on Form 10-KSB for the period ending August 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Robert Angrisano, President and Principal Executive Officer of the Company, and Karen Liu, Corporate Secretary and Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Karen Liu

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Karen Liu, Corporate Secretary and
Principal Financial Officer
December 11, 2003