

# MANSON CREEK RESOURCES LTD.

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CALGARY, AB T2P 0N7 CANADA  
TEL: (403) 233-0464  
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FILE No.  
82-3874



September 8, 2003

United States Securities  
& Exchange Commission  
Washington, DC  
20549  
USA

SUPPL

Dear Sirs:

RE: Foreign Private Issuer Exemption File No. 82-3874  
Third Quarter Interim Financial Statements

Please find enclosed 3 copies of the third quarter interim financial statements listed above.

Yours very truly,

MANSON CREEK RESOURCES LTD.

*B O'Neill*  
BARBARA O'NEILL

PROCESSED

OCT 07 2003

THOMSON  
FINANCIAL

*dlw 9/29*



FILE No.  
82-3874

# MANSON CREEK RESOURCES LTD.

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## INTERIM FINANCIAL STATEMENTS

3rd Quarter Reports  
June 30, 2003

#500, 926-5<sup>th</sup> Avenue S.W.  
Calgary, Alberta  
T2P 0N7

[www.manson.ca](http://www.manson.ca)

Phone: (403) 233-0464  
Fax: (403) 266-2606



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

	June 30, 2003	September 30, 2002
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 334,651	\$ 328,136
Accounts receivable	37,489	118,856
Prepays	<u>2,921</u>	<u>9,721</u>
	375,061	456,713
<b>INVESTMENTS AND OTHER ASSETS</b> <small>Note 2</small>	32,241	32,241
<b>MINERAL PROPERTIES AND EQUIPMENT</b> <small>schedule</small>	<u>957,264</u>	<u>1,295,598</u>
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ <u>29,471</u>	<u>40,011</u>
<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK</b> <small>note 3</small>	7,019,199	7,110,533
<b>CONTRIBUTED SURPLUS</b> <small>note 3</small>	91,334	-
<b>DEFICIT</b>	<u>(5,775,438)</u>	<u>(5,365,992)</u>
	<u>1,335,095</u>	<u>1,744,541</u>
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>

Approved on behalf of the Board

"G.A.J.Devonshire" G. A. James Devonshire, Director

"J.P.Jutras" Jean Pierre Jutras, Director

See accompanying notes to the financial statements

FILE No.  
82-3874

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

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>REVENUE</b>				
Interest and other	\$ 2,522	\$ 3,121	\$ 4,695	\$ 11,089
<b>EXPENSES</b>				
General and administrative	18,405	21,988	73,589	80,576
Reporting to shareholders	28	677	8,752	13,196
Professional fees	1,155	1,454	8,504	8,482
Stock exchange and transfer agent fees	2,012	1,844	5,943	4,915
Depreciation	466	1,644	1,400	4,654
	<u>22,066</u>	<u>27,607</u>	<u>98,188</u>	<u>111,823</u>
<b>LOSS BEFORE THE UNDERNOTED</b>	<u>(19,544)</u>	<u>(24,486)</u>	<u>(93,493)</u>	<u>(100,734)</u>
Write-down of mineral properties	1,382	(1,600)	(315,953)	(8,808)
Write-down of investments	-	(34,000)	-	(34,000)
Gain on sale of assets	-	-	-	3,321
<b>NET LOSS</b>	<u>(18,162)</u>	<u>(60,086)</u>	<u>(409,446)</u>	<u>(140,221)</u>
<b>DEFICIT, beginning of period</b>	<u>(5,757,276)</u>	<u>(5,293,096)</u>	<u>(5,365,992)</u>	<u>(5,212,961)</u>
<b>DEFICIT, end of period</b>	\$ <u>(5,775,438)</u>	\$ <u>(5,353,182)</u>	\$ <u>(5,775,438)</u>	\$ <u>(5,353,182)</u>
<b>LOSS PER SHARE</b>				
-basic and diluted	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.03)</u>	\$ <u>(0.01)</u>
<b>WEIGHTED AVERAGE SHARES OUTSTANDING - basic and diluted</b>	<u>15,370,402</u>	<u>15,570,402</u>	<u>15,408,497</u>	<u>15,570,402</u>

See accompanying notes to the financial statements.



**MANSON CREEK RESOURCES LTD.**  
**INTERIM STATEMENTS OF CASH FLOW**  
(Unaudited - prepared by management)

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>Increase (decrease) in cash and cash equivalents</b>				
<b>OPERATING ACTIVITIES</b>				
Interest and other income received	\$ 2,522	\$ 3,121	\$ 4,695	\$ 11,089
Cash operating expenses	<u>(30,016)</u>	<u>(32,930)</u>	<u>(109,066)</u>	<u>(94,419)</u>
	<u>(27,494)</u>	<u>(29,809)</u>	<u>(104,371)</u>	<u>(83,330)</u>
<b>FINANCING ACTIVITIES</b>				
Exploration incentives received	<u>-</u>	<u>45,000</u>	<u>134,446</u>	<u>45,000</u>
<b>INVESTING ACTIVITIES</b>				
Mineral property additions	<u>(6,229)</u>	<u>(67,360)</u>	<u>(23,560)</u>	<u>(105,292)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(33,723)</b>	<b>(52,169)</b>	<b>6,515</b>	<b>(143,622)</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of period	<u>368,374</u>	<u>687,460</u>	<u>328,136</u>	<u>778,913</u>
End of period	<u>\$ 334,651</u>	<u>\$ 635,291</u>	<u>\$ 334,651</u>	<u>\$ 635,291</u>

**Supplementary Information:**

No cash was expended on interest or taxes during the periods ended June 30, 2003 and June 30, 2002.

See accompanying notes to the financial statements.

**MANSON CREEK RESOURCES LTD**  
**INTERIM SCHEDULE OF MINERAL PROPERTIES AND EQUIPMENTS**  
**FOR THE NINE MONTHS ENDED JUNE 30, 2003 AND JUNE 30, 2002**  
(Unaudited - prepared by management)

2003	Yukon					Unstaked Property and Other
	Total	NAD	Rusty/ KLA	Tanner	JRS	
<b>Exploration and development expenditures:</b>						
Balance September 30, 2002	\$ 1,205,419	\$ 509,119	\$ 274,721	\$ 204,191	\$ 215,352	\$ 2,036
Geological consulting	18,675	2,318	872	6,692	410	8,383
Project field costs and miscellaneous	5,372	564	-	3,086	1,689	33
Exploration incentives	(43,446)	(1,746)	(11,300)	(15,600)	(14,800)	-
Abandonments and write-downs	(274,745)	-	(264,293)	-	-	(10,452)
<b>Balance June 30, 2003</b>	<b>911,275</b>	<b>510,255</b>	<b>-</b>	<b>198,369</b>	<b>202,651</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2002	81,873	22,991	40,982	15,190	885	1,825
Costs incurred	(1,582)	17	1,165	-	-	(2,764)
Abandonments and write-downs	(41,208)	-	(42,147)	-	-	939
<b>Balance June 30, 2003</b>	<b>39,083</b>	<b>23,008</b>	<b>-</b>	<b>15,190</b>	<b>885</b>	<b>-</b>
<b>Total mineral properties June 30, 2003</b>	<b>\$ 950,358</b>	<b>\$ 533,263</b>	<b>\$ -</b>	<b>\$ 213,559</b>	<b>\$ 203,536</b>	<b>\$ -</b>
Equipment	12,209					
Accumulated depreciation	(5,303)					
<b>Total mineral properties and equipment June 30, 2003</b>	<b>\$ 957,264</b>					

2002	Yukon				Unstaked Property and Other	
	Total	NAD	Kathleen Non-option	Tanner		JRS
<b>Exploration and development expenditures:</b>						
Balance September 30, 2001	\$ 929,267	\$ 501,671	\$ 203,525	\$ 102,935	\$ 120,505	\$ 631
Geological consulting	43,973	8,173	9,264	10,719	10,007	5,810
Project field costs and miscellaneous	16,540	1,750	8,078	2,670	2,675	1,367
Drilling	41,401	-	-	29,112	12,289	-
Aircraft and fuel	25,279	-	8,427	8,426	8,426	-
Write-offs	(7,808)	-	-	-	-	(7,808)
<b>Balance June 30, 2002</b>	<b>1,048,652</b>	<b>511,594</b>	<b>229,294</b>	<b>153,862</b>	<b>153,902</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2001	71,259	22,991	40,875	5,610	286	1,497
Costs incurred	6,201	-	67	5,067	67	1,000
Write-offs	(1,000)	-	-	-	-	(1,000)
<b>Balance June 30, 2002</b>	<b>76,460</b>	<b>22,991</b>	<b>40,942</b>	<b>10,677</b>	<b>353</b>	<b>1,497</b>
<b>Total mineral properties June 30, 2002</b>	<b>\$ 1,125,112</b>	<b>\$ 534,585</b>	<b>\$ 270,236</b>	<b>\$ 164,539</b>	<b>\$ 154,255</b>	<b>\$ 1,497</b>
Equipment	47,099					
Accumulated depreciation	(28,111)					
<b>Total mineral properties and equipment June 30, 2002</b>	<b>\$ 1,144,100</b>					

**MANSON CREEK RESOURCES LTD.**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**June 30, 2003**  
(Unaudited – prepared by management)

**1. Accounting Policies**

**Basis of presentation**

These interim financial statements should be read in conjunction with the audited financial statements for the year ended September 30, 2002 as not all disclosures required by Generally Accepted Accounting Principles for annual financial statements are presented. The interim financial statements follow the same accounting policies and methods of computation as the audited financial statements for the year ended September 30, 2002, except that the Company has adopted a new accounting policy regarding stock-based compensation as described below.

**Stock-based compensation**

Effective October 1, 2002, in accordance with the recommendations of the Canadian Institute of Chartered Accountants, (CICA), the Company has prospectively adopted, with no restatement or disclosure pertaining to awards granted prior to October 1, 2002, new rules for the accounting for, and disclosure of, stock-based compensation.

The new recommendations of the CICA establish financial accounting and reporting standards for stock-based compensation plans as well as transactions in which an entity issues its equity instruments to acquire goods or services from non-employees. The Company has elected to follow the "fair value" method of accounting for stock-based compensation arrangements, whereby the excess of the fair value of the stock options at the date of grant over the option grant price is recorded as compensation cost. The fair value is determined using an option-pricing model that takes into account the exercise price and expected life of the option, the current price of the underlying stock, its expected volatility, the expected dividends on the stock, and the current risk-free interest rate for the expected life of the option. As no stock options were granted during the nine months ended June 30, 2003, no compensation expense has been recorded, nor has additional disclosure pertaining to the option pricing model assumptions been provided.

**2. Investments and other assets**

	June 30, 2003	September 30, 2002
Investments(fair value\$26,000, Sept30\$26,000)	\$26,000	\$26,000
Non-current prepaid expenses	6,241	6,241
	<b>\$32,241</b>	<b>\$32,241</b>

**3. Capital Stock**

**a) Issued**

The following summarizes capital stock transactions during the nine months ended June 30, 2003:

	Number of shares	Amount
Balance September 30, 2002	15,570,402	\$7,110,533
Escrow shares cancelled	(200,000)	(91,334)
Balance June 30, 2003	<b>15,370,402</b>	<b>\$7,019,199</b>

The escrow shares were cancelled for no consideration. The average carrying value of the shares of \$91,334 reduced capital stock and increased contributed surplus.

**b) Stock options and warrants**

No warrants were outstanding at June 30, 2003. The Company has an option plan, in which up to 10% of the issued and outstanding common shares are reserved for issuance. Under the plan, the options that have been granted expire at the earlier of five years from the grant date, the date at which the Directors determine, or 60 days from the date from which the optionee ceases to be a director, officer, employee or consultant. No options were granted, exercised or cancelled during the nine months ended June 30, 2003. The following summarizes outstanding options, including expiries, at June 30, 2003, all of which vested immediately upon granting:

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

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## INTERIM FINANCIAL STATEMENTS

3rd Quarter Reports  
June 30, 2003

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

	June 30, 2003	September 30, 2002
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 334,651	\$ 328,136
Accounts receivable	37,489	118,856
Prepays	2,921	9,721
	<u>375,061</u>	<u>456,713</u>
<b>INVESTMENTS AND OTHER ASSETS</b> Note 2	32,241	32,241
<b>MINERAL PROPERTIES AND EQUIPMENT</b> schedule	957,264	1,295,598
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 29,471	\$ 40,011
<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK</b> note 3	7,019,199	7,110,533
<b>CONTRIBUTED SURPLUS</b> note 3	91,334	-
<b>DEFICIT</b>	<u>(5,775,438)</u>	<u>(5,365,992)</u>
	<u>1,335,095</u>	<u>1,744,541</u>
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>

Approved on behalf of the Board

"G.A.J.Devonshire" G. A. James Devonshire, Director

"J.P.Jutras" Jean Pierre Jutras, Director

See accompanying notes to the financial statements

FILE No.  
82-3874

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

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>REVENUE</b>				
Interest and other	\$ <u>2,522</u>	\$ <u>3,121</u>	\$ <u>4,695</u>	\$ <u>11,089</u>
<b>EXPENSES</b>				
General and administrative	18,405	21,988	73,589	80,576
Reporting to shareholders	28	677	8,752	13,196
Professional fees	1,155	1,454	8,504	8,482
Stock exchange and transfer agent fees	2,012	1,844	5,943	4,915
Depreciation	466	1,644	1,400	4,654
	<u>22,066</u>	<u>27,607</u>	<u>98,188</u>	<u>111,823</u>
<b>LOSS BEFORE THE UNDERNOTED</b>	<u>(19,544)</u>	<u>(24,486)</u>	<u>(93,493)</u>	<u>(100,734)</u>
Write-down of mineral properties	1,382	(1,600)	(315,953)	(8,808)
Write-down of investments	-	(34,000)	-	(34,000)
Gain on sale of assets	-	-	-	3,321
<b>NET LOSS</b>	<u>(18,162)</u>	<u>(60,086)</u>	<u>(409,446)</u>	<u>(140,221)</u>
<b>DEFICIT, beginning of period</b>	<u>(5,757,276)</u>	<u>(5,293,096)</u>	<u>(5,365,992)</u>	<u>(5,212,961)</u>
<b>DEFICIT, end of period</b>	\$ <u>(5,775,438)</u>	\$ <u>(5,353,182)</u>	\$ <u>(5,775,438)</u>	\$ <u>(5,353,182)</u>
<b>LOSS PER SHARE</b>				
-basic and diluted	\$ <u>(0.00)</u>	\$ <u>(0.00)</u>	\$ <u>(0.03)</u>	\$ <u>(0.01)</u>
<b>WEIGHTED AVERAGE SHARES</b>				
<b>OUTSTANDING - basic and diluted</b>	<u>15,370,402</u>	<u>15,570,402</u>	<u>15,408,497</u>	<u>15,570,402</u>

See accompanying notes to the financial statements.



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**MANSON CREEK RESOURCES LTD.**  
**INTERIM STATEMENTS OF CASH FLOW**  
(Unaudited - prepared by management)

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	Three months ended June 30,		Nine months ended June 30,	
	2003	2002	2003	2002
<b>Increase (decrease) in cash and cash equivalents</b>				
<b>OPERATING ACTIVITIES</b>				
Interest and other income received	\$ 2,522	\$ 3,121	\$ 4,695	\$ 11,089
Cash operating expenses	<u>(30,016)</u>	<u>(32,930)</u>	<u>(109,066)</u>	<u>(94,419)</u>
	<u>(27,494)</u>	<u>(29,809)</u>	<u>(104,371)</u>	<u>(83,330)</u>
<b>FINANCING ACTIVITIES</b>				
Exploration incentives received	<u>-</u>	<u>45,000</u>	<u>134,446</u>	<u>45,000</u>
<b>INVESTING ACTIVITIES</b>				
Mineral property additions	<u>(6,229)</u>	<u>(67,360)</u>	<u>(23,560)</u>	<u>(105,292)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(33,723)</b>	<b>(52,169)</b>	<b>6,515</b>	<b>(143,622)</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of period	<u>368,374</u>	<u>687,460</u>	<u>328,136</u>	<u>778,913</u>
End of period	<u>\$ 334,651</u>	<u>\$ 635,291</u>	<u>\$ 334,651</u>	<u>\$ 635,291</u>

**Supplementary Information:**

No cash was expended on interest or taxes during the periods ended June 30, 2003 and June 30, 2002.

See accompanying notes to the financial statements.

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FILE No.  
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**MANSON CREEK RESOURCES LTD**  
**INTERIM SCHEDULE OF MINERAL PROPERTIES AND EQUIPMENTS**  
**FOR THE NINE MONTHS ENDED JUNE 30, 2003 AND JUNE 30, 2002**  
(Unaudited - prepared by management)

2003	Yukon					Unstaked Property and Other
	Total	NAD	Rusty/ KLA	Tanner	JRS	
<b>Exploration and development expenditures:</b>						
Balance September 30, 2002	\$ 1,205,419	\$ 509,119	\$ 274,721	\$ 204,191	\$ 215,352	\$ 2,036
Geological consulting	18,675	2,318	872	6,692	410	8,383
Project field costs and miscellaneous	5,372	564	-	3,086	1,689	33
Exploration incentives	(43,446)	(1,746)	(11,300)	(15,600)	(14,800)	-
Abandonments and write-downs	(274,745)	-	(264,293)	-	-	(10,452)
<b>Balance June 30, 2003</b>	<b>911,275</b>	<b>510,255</b>	<b>-</b>	<b>198,369</b>	<b>202,651</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2002	81,873	22,991	40,982	15,190	885	1,825
Costs incurred	(1,582)	17	1,165	-	-	(2,764)
Abandonments and write-downs	(41,208)	-	(42,147)	-	-	939
<b>Balance June 30, 2003</b>	<b>39,083</b>	<b>23,008</b>	<b>-</b>	<b>15,190</b>	<b>885</b>	<b>-</b>
<b>Total mineral properties June 30, 2003</b>	<b>\$ 950,358</b>	<b>\$ 533,263</b>	<b>\$ -</b>	<b>\$ 213,559</b>	<b>\$ 203,536</b>	<b>\$ -</b>
Equipment	12,209					
Accumulated depreciation	(5,303)					
<b>Total mineral properties and equipment June 30, 2003</b>	<b>\$ 957,264</b>					

2002	Yukon					Unstaked Property and Other
	Total	NAD	Kathleen Non-option	Tanner	JRS	
<b>Exploration and development expenditures:</b>						
Balance September 30, 2001	\$ 929,267	\$ 501,671	\$ 203,525	\$ 102,935	\$ 120,505	\$ 631
Geological consulting	43,973	8,173	9,264	10,719	10,007	5,810
Project field costs and miscellaneous	16,540	1,750	8,078	2,670	2,675	1,367
Drilling	41,401	-	-	29,112	12,289	-
Aircraft and fuel	25,279	-	8,427	8,426	8,426	-
Write-offs	(7,808)	-	-	-	-	(7,808)
<b>Balance June 30, 2002</b>	<b>1,048,652</b>	<b>511,594</b>	<b>229,294</b>	<b>153,862</b>	<b>153,902</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2001	71,259	22,991	40,875	5,610	286	1,497
Costs incurred	6,201	-	67	5,067	67	1,000
Write-offs	(1,000)	-	-	-	-	(1,000)
<b>Balance June 30, 2002</b>	<b>76,460</b>	<b>22,991</b>	<b>40,942</b>	<b>10,677</b>	<b>353</b>	<b>1,497</b>
<b>Total mineral properties June 30, 2002</b>	<b>\$ 1,125,112</b>	<b>\$ 534,585</b>	<b>\$ 270,236</b>	<b>\$ 164,539</b>	<b>\$ 154,255</b>	<b>\$ 1,497</b>
Equipment	47,099					
Accumulated depreciation	(28,111)					
<b>Total mineral properties and equipment June 30, 2002</b>	<b>\$ 1,144,100</b>					



**MANSON CREEK RESOURCES LTD.**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**June 30, 2003**  
(Unaudited – prepared by management)

**1. Accounting Policies**

**Basis of presentation**

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The new recommendations of the CICA establish financial accounting and reporting standards for stock-based compensation plans as well as transactions in which an entity issues its equity instruments to acquire goods or services from non-employees. The Company has elected to follow the "fair value" method of accounting for stock-based compensation arrangements, whereby the excess of the fair value of the stock options at the date of grant over the option grant price is recorded as compensation cost. The fair value is determined using an option-pricing model that takes into account the exercise price and expected life of the option, the current price of the underlying stock, its expected volatility, the expected dividends on the stock, and the current risk-free interest rate for the expected life of the option. As no stock options were granted during the nine months ended June 30, 2003, no compensation expense has been recorded, nor has additional disclosure pertaining to the option pricing model assumptions been provided.

**2. Investments and other assets**

	June 30, 2003	September 30, 2002
Investments(fair value\$26,000, Sept30\$26,000)	\$26,000	\$26,000
Non-current prepaid expenses	6,241	6,241
	<b>\$32,241</b>	<b>\$32,241</b>

**3. Capital Stock**

**a) Issued**

The following summarizes capital stock transactions during the nine months ended June 30, 2003:

	Number of shares	Amount
Balance September 30, 2002	15,570,402	\$7,110,533
Escrow shares cancelled	(200,000)	(91,334)
Balance June 30, 2003	<b>15,370,402</b>	<b>\$7,019,199</b>

The escrow shares were cancelled for no consideration. The average carrying value of the shares of \$91,334 reduced capital stock and increased contributed surplus.

**b) Stock options and warrants**

No warrants were outstanding at June 30, 2003. The Company has an option plan, in which up to 10% of the issued and outstanding common shares are reserved for issuance. Under the plan, the options that have been granted expire at the earlier of five years from the grant date, the date at which the Directors determine, or 60 days from the date from which the optionee ceases to be a director, officer, employee or consultant. No options were granted, exercised or cancelled during the nine months ended June 30, 2003. The following summarizes outstanding options, including expiries, at June 30, 2003, all of which vested immediately upon granting:

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

FILE No.  
82-3874

# MANSON CREEK RESOURCES LTD.

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## INTERIM FINANCIAL STATEMENTS

3rd Quarter Reports  
June 30, 2003

#500, 926-5<sup>th</sup> Avenue S.W.  
Calgary, Alberta  
T2P 0N7

[www.manson.ca](http://www.manson.ca)

Phone: (403) 233-0464  
Fax: (403) 266-2606



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

	June 30, 2003	September 30, 2002
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 334,651	\$ 328,136
Accounts receivable	37,489	118,856
Prepays	2,921	9,721
	<u>375,061</u>	<u>456,713</u>
<b>INVESTMENTS AND OTHER ASSETS</b> Note 2	32,241	32,241
<b>MINERAL PROPERTIES AND EQUIPMENT</b> schedule	<u>957,264</u>	<u>1,295,598</u>
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ <u>29,471</u>	<u>40,011</u>
<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK</b> note 3	7,019,199	7,110,533
<b>CONTRIBUTED SURPLUS</b> note 3	91,334	-
<b>DEFICIT</b>	<u>(5,775,438)</u>	<u>(5,365,992)</u>
	<u>1,335,095</u>	<u>1,744,541</u>
	<u>\$ 1,364,566</u>	<u>\$ 1,784,552</u>

Approved on behalf of the Board

"G.A.J.Devonshire" G. A. James Devonshire, Director

"J.P.Jutras" Jean Pierre Jutras, Director

See accompanying notes to the financial statements

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

	Three months ended June 30,		Nine months ended June 30,	
	2003	2002	2003	2002
<b>REVENUE</b>				
Interest and other	\$ 2,522	\$ 3,121	\$ 4,695	\$ 11,089
<b>EXPENSES</b>				
General and administrative	18,405	21,988	73,589	80,576
Reporting to shareholders	28	677	8,752	13,196
Professional fees	1,155	1,454	8,504	8,482
Stock exchange and transfer agent fees	2,012	1,844	5,943	4,915
Depreciation	466	1,644	1,400	4,654
	<u>22,066</u>	<u>27,607</u>	<u>98,188</u>	<u>111,823</u>
<b>LOSS BEFORE THE UNDERNOTED</b>	<b>(19,544)</b>	<b>(24,486)</b>	<b>(93,493)</b>	<b>(100,734)</b>
Write-down of mineral properties	1,382	(1,600)	(315,953)	(8,808)
Write-down of investments	-	(34,000)	-	(34,000)
Gain on sale of assets	-	-	-	3,321
<b>NET LOSS</b>	<b>(18,162)</b>	<b>(60,086)</b>	<b>(409,446)</b>	<b>(140,221)</b>
<b>DEFICIT, beginning of period</b>	<b>(5,757,276)</b>	<b>(5,293,096)</b>	<b>(5,365,992)</b>	<b>(5,212,961)</b>
<b>DEFICIT, end of period</b>	<b>\$ (5,775,438)</b>	<b>\$ (5,353,182)</b>	<b>\$ (5,775,438)</b>	<b>\$ (5,353,182)</b>
<b>LOSS PER SHARE</b>				
-basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.03)	\$ (0.01)
<b>WEIGHTED AVERAGE SHARES</b>				
<b>OUTSTANDING - basic and diluted</b>	<b>15,370,402</b>	<b>15,570,402</b>	<b>15,408,497</b>	<b>15,570,402</b>

See accompanying notes to the financial statements.



**MANSON CREEK RESOURCES LTD.**  
**INTERIM STATEMENTS OF CASH FLOW**  
(Unaudited - prepared by management)

	<u>Three months ended June 30,</u>		<u>Nine months ended June 30,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
<b>Increase (decrease) in cash and cash equivalents</b>				
<b>OPERATING ACTIVITIES</b>				
Interest and other income received	\$ 2,522	\$ 3,121	\$ 4,695	\$ 11,089
Cash operating expenses	<u>(30,016)</u>	<u>(32,930)</u>	<u>(109,066)</u>	<u>(94,419)</u>
	<u>(27,494)</u>	<u>(29,809)</u>	<u>(104,371)</u>	<u>(83,330)</u>
<b>FINANCING ACTIVITIES</b>				
Exploration incentives received	<u>-</u>	<u>45,000</u>	<u>134,446</u>	<u>45,000</u>
<b>INVESTING ACTIVITIES</b>				
Mineral property additions	<u>(6,229)</u>	<u>(67,360)</u>	<u>(23,560)</u>	<u>(105,292)</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(33,723)</b>	<b>(52,169)</b>	<b>6,515</b>	<b>(143,622)</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of period	<u>368,374</u>	<u>687,460</u>	<u>328,136</u>	<u>778,913</u>
End of period	<u>\$ 334,651</u>	<u>\$ 635,291</u>	<u>\$ 334,651</u>	<u>\$ 635,291</u>

**Supplementary Information:**

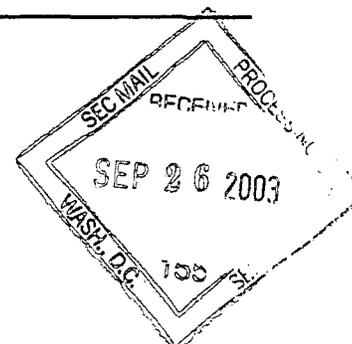
No cash was expended on interest or taxes during the periods ended June 30, 2003 and June 30, 2002.

See accompanying notes to the financial statements.

MANSON CREEK RESOURCES LTD  
INTERIM SCHEDULE OF MINERAL PROPERTIES AND EQUIPMENTS  
FOR THE NINE MONTHS ENDED JUNE 30, 2003 AND JUNE 30, 2002  
(Unaudited - prepared by management)

2003	Yukon					Unstaked Property and Other
	Total	NAD	Rusty/ KLA	Tanner	JRS	
<b>Exploration and development expenditures:</b>						
Balance September 30, 2002	\$ 1,205,419	\$ 509,119	\$ 274,721	\$ 204,191	\$ 215,352	\$ 2,036
Geological consulting	18,675	2,318	872	6,692	410	8,383
Project field costs and miscellaneous	5,372	564	-	3,086	1,689	33
Exploration incentives	(43,446)	(1,746)	(11,300)	(15,600)	(14,800)	-
Abandonments and write-downs	(274,745)	-	(264,293)	-	-	(10,452)
<b>Balance June 30, 2003</b>	<b>911,275</b>	<b>510,255</b>	<b>-</b>	<b>198,369</b>	<b>202,651</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2002	81,873	22,991	40,982	15,190	885	1,825
Costs incurred	(1,582)	17	1,165	-	-	(2,764)
Abandonments and write-downs	(41,208)	-	(42,147)	-	-	939
<b>Balance June 30, 2003</b>	<b>39,083</b>	<b>23,008</b>	<b>-</b>	<b>15,190</b>	<b>885</b>	<b>-</b>
<b>Total mineral properties June 30, 2003</b>	<b>\$ 950,358</b>	<b>\$ 533,263</b>	<b>\$ -</b>	<b>\$ 213,559</b>	<b>\$ 203,536</b>	<b>\$ -</b>
Equipment	12,209					
Accumulated depreciation	(5,303)					
<b>Total mineral properties and equipment June 30, 2003</b>	<b>\$ 957,264</b>					

2002	Yukon					Unstaked Property and Other
	Total	NAD	Kathleen Non-option	Tanner	JRS	
<b>Exploration and development expenditures:</b>						
Balance September 30, 2001	\$ 929,267	\$ 501,671	\$ 203,525	\$ 102,935	\$ 120,505	\$ 631
Geological consulting	43,973	8,173	9,264	10,719	10,007	5,810
Project field costs and miscellaneous	16,540	1,750	8,078	2,670	2,675	1,367
Drilling	41,401	-	-	29,112	12,289	-
Aircraft and fuel	25,279	-	8,427	8,426	8,426	-
Write-offs	(7,808)	-	-	-	-	(7,808)
<b>Balance June 30, 2002</b>	<b>1,048,652</b>	<b>511,594</b>	<b>229,294</b>	<b>153,862</b>	<b>153,902</b>	<b>-</b>
<b>Property acquisition costs:</b>						
Balance September 30, 2001	71,259	22,991	40,875	5,610	286	1,497
Costs incurred	6,201	-	67	5,067	67	1,000
Write-offs	(1,000)	-	-	-	-	(1,000)
<b>Balance June 30, 2002</b>	<b>76,460</b>	<b>22,991</b>	<b>40,942</b>	<b>10,677</b>	<b>353</b>	<b>1,497</b>
<b>Total mineral properties June 30, 2002</b>	<b>\$ 1,125,112</b>	<b>\$ 534,585</b>	<b>\$ 270,236</b>	<b>\$ 164,539</b>	<b>\$ 154,255</b>	<b>\$ 1,497</b>
Equipment	47,099					
Accumulated depreciation	(28,111)					
<b>Total mineral properties and equipment June 30, 2002</b>	<b>\$ 1,144,100</b>					



**MANSON CREEK RESOURCES LTD.**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**June 30, 2003**

(Unaudited – prepared by management)

**1. Accounting Policies**

**Basis of presentation**

These interim financial statements should be read in conjunction with the audited financial statements for the year ended September 30, 2002 as not all disclosures required by Generally Accepted Accounting Principles for annual financial statements are presented. The interim financial statements follow the same accounting policies and methods of computation as the audited financial statements for the year ended September 30, 2002, except that the Company has adopted a new accounting policy regarding stock-based compensation as described below.

**Stock-based compensation**

Effective October 1, 2002, in accordance with the recommendations of the Canadian Institute of Chartered Accountants, (CICA), the Company has prospectively adopted, with no restatement or disclosure pertaining to awards granted prior to October 1, 2002, new rules for the accounting for, and disclosure of, stock-based compensation.

The new recommendations of the CICA establish financial accounting and reporting standards for stock-based compensation plans as well as transactions in which an entity issues its equity instruments to acquire goods or services from non-employees. The Company has elected to follow the "fair value" method of accounting for stock-based compensation arrangements, whereby the excess of the fair value of the stock options at the date of grant over the option grant price is recorded as compensation cost. The fair value is determined using an option-pricing model that takes into account the exercise price and expected life of the option, the current price of the underlying stock, its expected volatility, the expected dividends on the stock, and the current risk-free interest rate for the expected life of the option. As no stock options were granted during the nine months ended June 30, 2003, no compensation expense has been recorded, nor has additional disclosure pertaining to the option pricing model assumptions been provided.

**2. Investments and other assets**

	June 30, 2003	September 30, 2002
Investments(fair value\$26,000, Sept30\$26,000)	\$26,000	\$26,000
Non-current prepaid expenses	6,241	6,241
	<b>\$32,241</b>	<b>\$32,241</b>

**3. Capital Stock**

**a) Issued**

The following summarizes capital stock transactions during the nine months ended June 30, 2003:

	Number of shares	Amount
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