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WPN RESOURCES LTD.
(formerly Western Pinnacle Mining Ltd.)

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003
(Unaudited - See Notice To Reader)**

SUPPL

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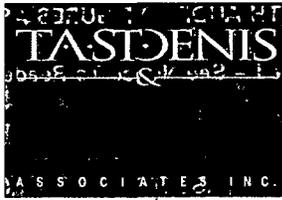
- Notice To Reader
- Interim Consolidated Balance Sheet
- Interim Consolidated Statement of Operations and Deficit
- Interim Consolidated Cash Flow Statement
- Interim Consolidated Statement of Deferred Exploration and Development Expenditures
- Notes to Interim Consolidated Financial Statements

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NOTICE TO READER

I have compiled the interim consolidated balance sheet of WPN Resources Ltd. (formerly Western Pinnacle Mining Ltd.) as at September 30, 2003 and the interim consolidated statement of operations and deficit, the interim consolidated cash flow statement, and the interim consolidated statement of deferred exploration and development expenditures for the nine months then ended from information provided by management. I have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

"T.A. St. Denis & Associates Inc."

Certified General Accountant

Vancouver, British Columbia
November 27, 2003

WPN RESOURCES LTD.
INTERIM CONSOLIDATED BALANCE SHEET
AS AT SEPTEMBER 30, 2003 WITH AUDITED FIGURES AS AT DECEMBER 31, 2002

(Unaudited – See Notice To Reader)

	September 30 2003	December 31 2002
ASSETS		
CURRENT		
Cash	\$ 26,081	\$ 186,107
Accounts receivable	4,711	-
Prepaid expenses	1,515	12,140
	32,307	198,247
INVESTMENT IN MARKETABLE SECURITIES (Note 4)	1	1
DEFERRED RESOURCE PROPERTY EXPENDITURES (Note 5)	828,482	470,275
CAPITAL ASSETS (Notes 3(g) and 6)	3,652	4,622
	\$ 864,442	\$ 673,145
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable and accrued liabilities	\$ 176,701	\$ 564,584
LONG TERM		
Convertible promissory note (Note 7)	276,750	-
	453,451	564,584
SHARE CAPITAL (Note 8)	21,018,573	20,776,834
DEFICIT	(20,607,582)	(20,668,273)
	410,991	108,561
	\$ 864,442	\$ 673,145

APPROVED ON BEHALF OF THE BOARD:

"Jeremy Eng" _____ Director

Jeremy Eng

"Glenn Whiddon" _____ Director

Glenn Whiddon

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

WPN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

(Unaudited – See Notice To Reader)

	3 months ended September 30 2003	3 months ended September 30 2002	9 months ended September 30 2003	9 months ended September 30 2002
REVENUES				
Advisory services	\$ -	\$ -	\$ -	\$ (1,000)
Foreign exchange gain/(loss)	(429)	1,000	23,842	72,000
Interest	64	1,000	12,735	3,000
Mining operations, net	-	-	-	(180,000)
	<u>(365)</u>	<u>2,000</u>	<u>36,577</u>	<u>(106,000)</u>
ADMINISTRATION				
Accounting, administration, and auditing	17,600	10,000	22,824	51,000
Advertising and promotion	2,471	-	15,958	-
Amortization and depreciation	324	-	970	101,000
Bad debts	-	-	-	4,000
Capital and foreign taxes	-	-	-	31,000
Interest and bank charges	7,553	9,000	10,367	100,000
Legal, consulting, and professional fees	167,141	220,000	317,777	304,000
Office, rent, and miscellaneous	10,924	15,000	48,611	109,000
Salaries and benefits	-	-	-	327,000
Shareholder services	9,966	1,000	26,079	97,000
Travel	12,142	21,000	54,795	149,000
	<u>228,121</u>	<u>276,000</u>	<u>497,381</u>	<u>1,273,000</u>
INCOME/(LOSS) BEFORE OTHER REVENUES/(EXPENSES)	<u>(228,486)</u>	<u>(274,000)</u>	<u>(460,804)</u>	<u>(1,379,000)</u>
OTHER REVENUE/(EXPENSES)				
Gain on sale of capital assets	-	-	-	7,000
Recovery/(loss) on discontinued operations	(26,180)	(271,000)	521,495	(271,000)
	<u>(26,180)</u>	<u>(271,000)</u>	<u>521,495</u>	<u>(264,000)</u>
NET INCOME/(LOSS) FOR THE PERIOD	<u>(254,666)</u>	<u>(545,000)</u>	<u>60,691</u>	<u>(1,643,000)</u>
DEFICIT, BEGINNING OF PERIOD	<u>(20,352,916)</u>	<u>(19,488,000)</u>	<u>(20,668,273)</u>	<u>(18,390,000)</u>
DEFICIT, END OF PERIOD	<u>\$ (20,607,582)</u>	<u>\$ (20,033,000)</u>	<u>\$ (20,607,582)</u>	<u>\$ (20,033,000)</u>
EARNINGS/(LOSS) PER SHARE (Note 3(k))	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ 0.00</u>	<u>\$ (0.08)</u>

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

WPN RESOURCES LTD.
INTERIM CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

(Unaudited - See Notice To Reader)

	3 months ended September 30 2003	3 months ended September 30 2002	9 months ended September 30 2003	9 months ended September 30 2002
OPERATING ACTIVITIES				
Net income/(loss) for the period	\$ (254,666)	\$ (545,000)	\$ 60,691	\$ (1,643,000)
Changes to income not involving cash				
Amortization and depreciation	324	-	970	101,000
Interest on convertible promissory note	6,750	-	6,750	-
Bad debts	-	-	-	4,000
Foreign exchange (gain)/loss	-	(1,000)	-	(72,000)
Gain on sale of capital assets	-	-	-	(7,000)
Loss on sale of Russian investment, net	-	271,000	-	271,000
Gross cash flow from operations	(247,592)	(275,000)	68,411	(1,346,000)
Net changes in non-cash working capital items	2,472	(27,000)	(140,230)	199,000
Net cash flow from operations	(245,120)	(302,000)	(71,819)	(1,147,000)
INVESTING ACTIVITIES				
Investment in mineral properties	(11,186)	(19,000)	(358,207)	(302,000)
Purchase of capital assets, net	-	-	-	(29,000)
Cash surrender on sale of Russian investment, net	-	(199,000)	-	(199,000)
Net cash flow from investing activities	(11,186)	(218,000)	(358,207)	(530,000)
FINANCING ACTIVITIES				
Proceeds from convertible promissory note	270,000	-	270,000	-
Proceeds/(repayment) of loans	-	36,000	-	254,000
Proceeds from private placement	-	500,000	-	500,000
Net cash flow from financing activities	270,000	536,000	270,000	754,000
NET INCREASE/(DECREASE) IN CASH	13,694	16,000	(160,026)	(923,000)
CASH, BEGINNING OF PERIOD	12,387	393,000	186,107	1,332,000
CASH, END OF PERIOD	\$ 26,081	\$ 409,000	\$ 26,081	\$ 409,000

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

WPN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENT OF DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES
AS AT SEPTEMBER 30, 2003 WITH AUDITED FIGURES AT DECEMBER 31, 2002

(Unaudited – See Notice To Reader)

	SAN MARCO PERMIT	PANTELLERIA PERMIT	BORSANO PERMIT	September 30 2003	December 31 2002
ACQUISITION COSTS					
Opening balance	\$ 268,261	\$ 29,394	\$ 17,637	\$ 315,292	\$ 47,031
Shares issued	-	241,739	-	241,739	202,500
Cash payments	-	72,317	36,276	108,593	65,761
Closing balance	<u>268,261</u>	<u>343,450</u>	<u>59,913</u>	<u>665,624</u>	<u>315,292</u>
DEFERRED DEVELOPMENT AND ACQUISITION					
Opening balance	63,100	61,974	29,909	154,983	84,907
Due diligence	-	7,875	-	7,875	70,076
Closing balance	<u>63,100</u>	<u>69,849</u>	<u>29,909</u>	<u>162,858</u>	<u>154,983</u>
BALANCE, END OF PERIOD	<u>\$ 331,361</u>	<u>\$ 413,299</u>	<u>\$ 83,822</u>	<u>\$ 828,482</u>	<u>\$ 470,275</u>

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

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 1 – NATURE OF OPERATIONS

WPN Resources Ltd. (the "Company") is a public company, incorporated in February 1988 under the Company Act of the Province of British Columbia as Star Valley Resources Corporation ("Star Valley"). In August 1996, the Company acquired 100% of Sakha Gold Overseas Limited ("SGL"), a company incorporated in November 1995 in Cyprus, which affected a reverse takeover of Star Valley. The Company changed its name from Star Valley to Western Pinnacle Mining Ltd. ("WPN") in December 1996. Effective January 8, 2002, the Company consolidated its share capital on a four old for one new basis and changed its name to WPN Resources Ltd.

The Company's shares, which are widely held, trade on the TSX Venture Exchange. The Company is principally engaged in investing in natural resource projects in Italy.

NOTE 2 – GOING CONCERN ASSUMPTION

These interim consolidated financial statements do not reflect any adjustments that would be necessary if the Company was unable to continue as a "going concern" which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. While management believes that the actions already taken or planned will mitigate the adverse conditions and events which raise substantial doubt about the validity of the "going concern" assumption used in preparing these interim consolidated financial statements, there can be no assurance that these actions will be successful.

If the Company were unable to continue as a "going concern" then substantial adjustments would be necessary to the carrying values of assets, the reported value of liabilities, the reported revenues and expenses, and the balance sheet classifications used. Substantial adjustments may also be necessary if the Company is successful in restructuring its debts.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General

These interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2002. The Company applies the same accounting policies and methods in these interim consolidated financial statements as those in the audited annual consolidated financial statements.

(b) Minority interest in subsidiary companies

Minority interest in the interim consolidated balance sheet reflects non-controlling owners' share of the net assets of subsidiaries. The combined minority interest in the Company's subsidiaries was 14.3% prior to the disposal of OAO Geometall. As a result of the net liability position in the Company's subsidiaries, no minority interest had been recognized.

(c) Principles of consolidation

The operations of all subsidiaries in which the Company directly or indirectly owns more than 50% of the common shares are included in the interim consolidated financial statements. Investments in other companies in which the Company owns between 20% and 50% are accounted for under the equity method of accounting. These interim consolidated financial statements include the accounts of the following subsidiaries:

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Principles of consolidation (Continued)

Company	Place of Incorporation	Percentage Ownership
Western Pinnacle Mining (Cyprus) Ltd.	Cyprus	100%
WP Oil Limited	Cyprus	100%
WPM Overseas Limited	Cyprus	100%

The operations of OAO Geometall and ZAO Placer Geometall were discontinued in fiscal 2002 pursuant to a formal liquidation under Russian law.

(d) Petroleum and natural gas properties

(i) Petroleum and natural gas properties

The Company follows the full cost method of accounting for petroleum and natural gas properties whereby all costs related to the exploration and development of petroleum and natural gas properties are capitalized in one cost centre. Such costs include land acquisition costs, geological and geophysical expenses, carrying charges on non-producing properties, and costs of drilling both productive and non-productive wells.

Gains or losses are not recognized upon disposition of petroleum and natural gas properties unless crediting the proceeds against accumulated costs would result in a change in the rate of depletion of 20% or more.

Such costs are depleted on the unit of production method based on estimated proven gas and oil reserves as determined by the Company and substantiated by independent professional engineers. Petroleum and natural gas reserves are converted to a common unit of measure on an energy equivalent basis of six mcf of gas to one barrel of oil. Costs of acquiring and evaluating unproven properties are excluded from depletion calculations until it is determined whether or not proven reserves are attributable to the properties or impairment occurs.

(ii) Ceiling

The capitalized costs less accumulated depletion and depreciation, future income taxes, and site restoration and abandonment costs are limited to an amount equal to the estimated future net revenue from proved reserves before royalties (based on prices and costs at the balance sheet date) plus the costs, if any, (net of impairments) of unproved properties, less estimated future site restoration and abandonment, general and administrative expenses, financing costs, and income taxes.

(iii) Provision for site restoration

Future site restoration and abandonment costs of the Company's petroleum and natural gas properties are provided for when a reasonable estimate can be made. The estimated expense is reduced by expected equipment salvage values at the time of the abandonment. The resulting net estimated expense, if any, is amortized against earnings over the remaining life of the Company's reserves on a unit-of production basis. Actual expenditures are applied against the accumulated provision account.

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Foreign currency

Transactions recorded in foreign currencies and the accounts of foreign subsidiaries have been translated into Canadian dollars as follows:

- (i) monetary assets and liabilities at the approximate rates prevailing at the interim consolidated balance sheet date;
- (ii) non-monetary assets and liabilities at historical rates;
- (iii) deferred costs at the average rates in effect during the period in which the costs are incurred; and
- (iv) gains or losses resulting from changes in exchange rates are included in the determination of income or loss.

(f) Financial instruments

The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. The Company is exposed to significant interest, currency, or credit risks arising from these financial instruments as disclosed in the related notes to the interim consolidated financial statements. The estimated fair value of these financial instruments approximate their carrying values, unless otherwise notes.

(g) Capital assets

The provision for amortization on capital assets is computed using the straight-line method based on estimated economic lives. Composite amortization rates are applied to similar types of capital assets having similar economic characteristics as follows:

Buildings	14 years
Machinery and equipment	7 to 10 years
Transport equipment	7 years
Auxiliary equipment and other	3 to 5 years

(h) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

(i) Income taxes

Income taxes are accounted for using the future income tax method. Under this method, income taxes are recognized for the estimated income taxes payable for the current year and future income taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities and for the benefit of losses available to be carried forward for tax purposes that are likely to be realized. Future income tax assets and liabilities are measured using tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled.

Tax benefits have not been recorded due to uncertainty regarding their utilization.

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Stock-based compensation

Effective January 1, 2002, the Company adopted, on a prospective basis, the recommendations of the CICA with respect to the recognition, measurement, and disclosure of stock-based compensation and other stock based payments. Under this policy, the Company has elected to value stock-based compensation granted to employees using the intrinsic value method, whereby compensation costs for awards to employees are recognized only when the market price exceeds the exercise price at the date of grant. Pro forma disclosure of the impact on net income and earnings per share of the fair value of options granted to employees is required.

Stock-based compensation granted to non-employees is recorded at the fair value as determined using the Black-Scholes option valuation method.

(k) Income/(loss) per share

The Company uses the treasury stock method of calculating fully diluted per share amounts whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the period.

NOTE 4 – INVESTMENT IN MARKETABLE SECURITIES

The Company owns 500,000 shares of Laverton Gold N.L. At December 31, 2001 the market value was unknown and accordingly, the investment was written down to \$1. Management believes that Laverton is currently in the process of being relisted and it is anticipated that the Company will be able to dispose of these shares.

NOTE 5 – DEFERRED RESOURCE PROPERTY EXPENDITURES

(a) San Marco Permit

During the year ended December 31, 2002, the Company signed an agreement and received regulatory approval to purchase an application for a permit covering approximately 38,200 hectares in the south-eastern Po Valley on the Adriatic coast of Italy. Consideration for the permit was the issuance of 1,687,500 common shares of the Company at a deemed price of \$0.12 per share and a reimbursement of costs to the vendors of US\$41,250. The vendors of the San Marco property retain a royalty interest of 1.5% of the gross revenues received from any hydrocarbons produced from the property.

The Company has committed to the following expenditures on the permit:

- (i) within 12 months: Gravity and Geological Study for US\$28,000;
- (ii) within 24 months: 100 kilometres of seismic reprocessing for US\$125,000;
- (iii) within 36 months: 60 kilometres of seismic acquisition for US\$200,000; and
- (iv) within 48 months: drilling of one well to a depth of 3,000 metres for US\$3,000,000.

(b) Pantelleria Permits

In April 2002, the Company exercised its option to purchase two permit applications covering approximately 65,700 and 66,500 hectares respectively. Consideration for these permits, known as Pantelleria West and Pantelleria South, was the issuance of 2,014,497 common shares of the Company at a deemed price of \$0.12 per share and a reimbursement of costs to the vendors of US\$67,501. The Company has committed to expenditures of US\$45,000 one year from the date of issuance of the permits, being by July 15, 2004.

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 5 – DEFERRED RESOURCE PROPERTY EXPENDITURES (Continued)

(c) Borsano Permit

In April 2002, the Company exercised its option to purchase the Borsano permit application covering approximately 31,800 hectares but this transaction has not yet closed. Consideration for the permit will be the issuance of 1,231,027 common shares of the Company at a deemed price of \$0.10 per share and a reimbursement of costs to the vendors of US\$41,249.

NOTE 6 – CAPITAL ASSETS

	30Sep03 Net Book Value	31Dec02 Net Book Value
Auxiliary equipment and other	\$ 17,603	\$ 17,603
Less: accumulated amortization	13,951	12,981
	<u>\$ 3,652</u>	<u>\$ 4,622</u>

NOTE 7 – CONVERTIBLE PROMISSORY NOTE

On August 12, 2003 the Company announced that it had received final TSX Venture Exchange approval and had closed a private placement of a convertible promissory note aggregating US\$200,000. The note bears interest at a rate of 10% per annum and is payable 24 months from the date of issuance, or July 1, 2005. The amount due under the note may be converted into units of the Company on the basis of one unit for each \$0.13 of principal outstanding on the date of conversion. Each unit consists of one common share in the Company and one non-transferable share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.13 for a period of two years. The note and the units into which the note may be converted and any shares on conversion of the warrants forming part of the unit are subject to a hold period expiring December 1, 2003. The proceeds of the note will be applied to ongoing expenses related the Company's Italian oil concessions and for working capital. The amount reported includes interest of \$6,750.

NOTE 8 – SHARE CAPITAL

(a) Authorized:

100,000,000 common shares without par value

Issued:

	Number of Shares	Amount
Balance, December 31, 2002	22,951,814	\$ 20,776,834
Issued for acquisition of Pantelleria Permits (Note 6(b))	2,014,497	241,739
	<u>24,966,311</u>	<u>\$ 21,018,573</u>

Of the shares issued during the three month period ended March 31, 2003, 1,813,046 common shares are held in escrow to be released in six month intervals over three years with 15% or 302,174 common shares released at each interval.

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 8 – SHARE CAPITAL (Continued)

(b) Warrants:

There were 2,500,000 warrants outstanding at the end of the current period, exercisable at \$0.25 per share, and the exercise date has been extended from January 30, 2004 to July 30, 2004. No warrants have been issued since December 31, 2002.

(c) Stock options:

There were 1,410,000 options outstanding at the end of the current period, exercisable at \$0.24 per share, and expire on March 21, 2005. No stock options have been issued since December 31, 2002.

(d) Common shares in escrow:

There were 1,813,046 common shares in escrow at the end of the current period.

NOTE 9 – RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2003 the Company paid or accrued interest, legal, consulting, and professional fees, and salaries and benefits paid to a director and to a company in which a director has an interest of \$212,763 (September 30, 2002 - \$358,000). Also during this period, the Company incurred a foreign exchange loss on the repayment of advances to a company of which a director has an interest of \$12,052 (September 30, 2002 - \$Nil).

NOTE 10 – SEGMENTED INFORMATION

During the nine months ended September 30, 2003, the Company had one operational activity being natural resource property exploration and development. The revenues and expenses for the period for the geographical segments are presented as follows:

	30 Sept 2003			
	Canada	Russia	Italy	Total
Revenue, net	\$ 36,577	\$ 521,495	\$ -	\$ 558,072
Expenses	467,963	-	29,418	497,381
Income/(loss) for the period	<u>\$ (431,386)</u>	<u>\$ 521,495</u>	<u>\$ (29,418)</u>	<u>\$ 60,691</u>
	30 Sept 2002			
	Canada	Russia	Italy	Total
Revenue, net	\$ 15,000	\$ (121,000)	\$ -	\$ (106,000)
Expenses	560,000	857,000	120,000	1,537,000
Income/(loss) for the period	<u>\$ (545,000)</u>	<u>\$ (978,000)</u>	<u>\$ (120,000)</u>	<u>\$ (1,643,000)</u>

WPN RESOURCES LTD.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(Unaudited – See Notice To Reader)

NOTE 10 – SEGMENTED INFORMATION (Continued)

The identifiable assets held by the Company by geographical segments are as follows:

	Canada	Russia	Italy	Total
September 30, 2003	<u>\$ 35,960</u>	<u>\$ -</u>	<u>\$ 828,482</u>	<u>\$ 864,442</u>
December 31, 2002	<u>\$ 199,502</u>	<u>\$ -</u>	<u>\$ 473,643</u>	<u>\$ 673,145</u>

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**WPN RESOURCES LTD.
 QUARTERLY REPORT
 SECOND QUARTER ENDED SEPTEMBER 30, 2003
 SUPPLEMENTAL INFORMATION**

1. ANALYSIS OF EXPENSES AND DEFERRED COSTS: See Schedule A, Interim Consolidated Statement of Operations and Deficit
2. RELATED PARTY TRANSACTIONS: See Schedule A, Notes to Interim Consolidated Financial Statements, Note 8
3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE PERIOD: See Schedule A, Notes to Interim Consolidated Financial Statements, Note 7
4. SUMMARY OF SECURITIES AS AT THE END OF THE PERIOD: See Schedule A, Notes to Interim Consolidated Financial Statements, Note 7. Options outstanding as at September 30, 2003 are as follows:

Optionee	Relationship	Exercise price	Expiry date	Number of shares
Glenn Whiddon	Director	\$ 0.24	March 21, 2005	475,000
Jeremy Eng	Director	0.24	March 21, 2005	475,000
Cyrus Driver	Director	0.24	March 21, 2005	70,000
Sasha Karpov	Consultant	0.24	March 21, 2005	70,000
Alaster Edwards	Consultant	0.24	March 21, 2005	25,000
Elena Ivanova	Consultant	0.24	March 21, 2005	25,000
Alejandra Gomez	Consultant	0.24	March 21, 2005	45,000
Michael Higginson	Secretary	0.24	March 21, 2005	25,000
Peter Blakey	Director	0.24	March 21, 2005	200,000
				<u>1,410,000</u>

5. DIRECTORS AT DATE OF FILING THIS REPORT:

Glenn Whiddon
 Jeremy Eng
 Peter Blakey

OFFICERS AT DATE OF FILING THIS REPORT:

Glenn Whiddon, President and Chief Executive Officer
 Michael Higginson, Secretary

**WPN RESOURCES LTD.
QUARTERLY REPORT
SECOND QUARTER ENDED SEPTEMBER 30, 2003
CORPORATE INFORMATION**

CORPORATE INFORMATION

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STOCK EXCHANGE

TSX Venture Exchange

STOCK SYMBOL

WPR

**WPN RESOURCES LTD.
QUARTERLY REPORT
THIRD QUARTER ENDED SEPTEMBER 30, 2003
MANAGEMENT DISCUSSION AND ANALYSIS**

This discussion and analysis should be read in conjunction with the consolidated financial statements for the Quarter ended September 30, 2003 and the Audited Financial Statements for the year ended December 31, 2002 and recent press releases. The company's reporting currency is the Canadian dollar.

NATURE OF BUSINESS

WPN Resources Ltd. is focused on acquisition, exploration, development and production of oil and gas in Italy, the Mediterranean margin and the Central European countries, where further E&P acquisition and participating opportunities have been identified.

The Company owns the San Marco Concession, located close to the town of Ravenna; Pantelleria West and Pantelleria South Concessions, in the Sicily Channel; and has signed an option agreement to acquire the Borsano Concession located in the Northern part of the Lombardy basin near the city of Milan. The Company holds a 100% interest in the permits, with the exception of San Marco, which has been farmed out to a local Italian gas trading firm, Blugas S.p.a. Blugas has agreed to invest Euro 1.5 million for a 20% interest in the first 12 Bcf of gas produced, with WPN hold maintaining an 80% interest in the first 12 Bcf produced and 100% of gas produced in excess of 12 Bcf. Concurrent with the investment agreement, WPN has signed a 12 year gas sales agreement with Blugas S.p.a who has committed to purchase 100% of all gas produced from the field.

The Company has made applications for three further concessions in Italy and announcements on these are expected in December for the Frigento and Caravilli areas in the Central Apennines and in February for the Bernaida area in the Bradano Foredeep.

The authorized capital of the Company consists of 100,000,000 common shares without par or nominal value. At September 30, 2003 the number of shares issued and outstanding was 24,966,311.

DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

During the 3-month period ended September 30, 2003, the Company reported a loss of (\$254,666) (2002, (\$545,000)) or a loss of \$0.01 per share (2002, (\$0.02) per share). \$165,456 was paid for consulting and professional fees (2002, \$170,000). Legal fees paid during this period were \$1,685 (2002, \$50,000) and accounting and audit fees totaled \$17,600 (2002, \$10,000). \$2,471 (2002, \$Nil) was spent on advertising and promotion.

Third Party Transactions

Consulting fees of \$124,440 were paid to an officer and director of the Company and \$28,380 consulting fees was paid to a company controlled by a director of the Company.

The primary sources of funding available to the Company are through the sale of equity capital and through joint ventures with other oil and gas companies. It should be noted that there is no guarantee of the Company's abilities to raise further capital and farm out the hydrocarbon assets

held by the Company, and, despite the positive indication of hydrocarbons based upon the analytical work undertaken to-date, there is no guarantee of the discovery of commercial hydrocarbon. As such investors should be aware of the potentially high risk of investing in this sector and with junior resource companies such as WPN.

During this quarter there were no property acquisitions costs. Deferred Resources Property costs incurred during the nine-month period totaled \$828,482.

Following is a summary of the work performed by the Company during this reporting period:

1. Pantelleria Permits

Whilst the Company is still in discussions with various parties regarding the potential farm in of these concessions, plans for shooting a 630km infill 2-D seismic survey are being made. There are certain restrictions in shooting seismic during the summer months and so a suitable vessel is being sought for the latter part of 2004.

2. San Marco Concession

The preparatory work for the establishment of the Joint Technical Committee (JTC) with Blugas is complete and with acceptance of the SIA (environmental report for drilling location permitting) by the regional authorities, bidding and contracting of the equipment; materials and services for the Abbadesse 1 well will commence.

Personnel for the Abbadesse Project Team are being identified and first appointments could be made at the inaugural meeting of the JTC in December.

As announced on October 30 2003, Blugas S.p.A and WPN Resources signed a Joint Development Agreement ('JDA') and Gas Sales Agreement in respect of Abaddesse. This Agreement calls for Blugas to invest Euro 1.5 million in the exploration drilling of the Abaddesse prospect for a 20 % interest in the 1st 12 Bcf of gas. Pursuant to the JDA and the accompanying Gas Sales Agreement, Blugas also has exclusive rights to purchase all production from the field for a term of up to 12 years. Under certain conditions, Blugas also has the right to increase its participation in the Abaddesse Prospect and obtain an interest in the whole of the San Marco Concession.

3. Borsano Concession

There were no developments during this quarter.

4. Other Projects

The Company entered into talks with a view to negotiating a participation in a Basin Centered Gas play, on the German/Switzerland border alongside the Rhone River. Entry into the project would be on the basis of cost sharing of the re-entry re-test of a well drilled by Forest Oil International and partners in 2000. Stimulation tests are to be undertaken to determine gas delivery and production and gross potential reserves are in excess of 1 Tcf of gas.

SUBSEQUENT EVENTS

On August 12th, and subsequent to quarter's end, the Company announced closing of a private placement of a convertible promissory note aggregating \$200,000US. The note bears interest at a rate of 10% per annum and is payable July 1, 2005. The amount due under the note may be converted into units of the Company on the basis of one unit for each \$0.13 of principal outstanding on the date of conversion. Each unit consists of one common share in the Company and one non-transferable share purchase warrant. Each warrant entitles the holder to acquire one

additional common share of the Company at a price of \$0.13 for a period of two years.

On October 22nd, the Company announced that it had entered into a loan arrangement whereby the lender had agreed to establish a term credit in favor of the Company in an amount up to \$250,000.

On November 17th the Company announced that Mr. Feroz Sultan had been appointed Chief Executive Officer and will be joining the Board of Directors. Mr. Sultan is based in London, England and together with the existing executive team will manage the development of the Company's European oil and gas assets. Mr. Sultan holds a Bachelor of Science (Hons) and Master of Science in Petroleum Geology from the University of Karachi and Master of Science along with Diploma from Imperial College (DIC) with Distinction in Petroleum Geology from Royal School of Mines, London, (1971).

On the same date it was announced the issuance of director and employee incentive stock options totalling 1,000,000 shares. The options will be exercisable at C\$0.15 per share and will have a term of 3 years. These options will be released in equal instalments over an 18-month period.

INVESTOR RELATIONS

WPN maintained an in-house investor relations program during this period. This program consisting primarily in informing shareholders, via various media about the Company activities. The Company's website is: www.wpnresources.com. Additional continuous disclosure information is available at www.sedar.com

OUTLOOK

With the expansion of the management team and the identification of new projects for the Company to acquire and farm into, the Company believes it is in an excellent position to undertake focused exploration with the potential for significant returns to shareholders should such activities prove successful.

No legal proceedings are under way either by or against the Company.

LIQUIDITY AND SOLVENCY

	September 30, 2003	September 30, 2002
Income (loss) for the period	\$(254,666)	\$(545,000)
Working capital (deficiency)	\$(144,394)	\$ 119,000
Cash	\$26,081	\$409,000