

MID-NORTH RESOURCES LIMITED

FINANCIAL STATEMENTS

MARCH 31, 2001

(Unaudited - See Notice to Reader)

NOTICE TO READER

I have compiled the balance sheet of Mid-North Resources Limited as at March 31, 2001 and the statements of loss and deficit and cash flow for the period 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.

Calgary, Alberta
May 14, 2001

STUART W. PETERSON
PROFESSIONAL CORPORATION
Chartered Accountant

MID-NORTH RESOURCES LIMITED
BALANCE SHEET
MARCH 31, 2001
(Unaudited - See Notice to Reader)

	2001 \$	2000 \$
ASSETS		
CURRENT		
Cash	252	588
Sales taxes recoverable	2,043	6,402
Prepaid expenses	1,613	-
	3,908	6,990
CAPITAL ASSETS		
	5,841	5,322
MINING CLAIMS AND DEFERRED EXPENSES		
	1,439,819	1,106,300
	1,449,568	1,118,612
LIABILITIES		
CURRENT		
Accrued interest payable	74,662	54,651
Accounts payable and accrued liabilities	148,582	57,917
Due to related parties	176,259	183,824
Note payable	30,060	30,060
	429,563	326,452
SHAREHOLDERS' EQUITY		
CONVERTIBLE NOTES	220,600	220,600
SHARE CAPITAL	3,314,719	2,971,394
DEFICIT	(2,515,314)	(2,399,834)
	1,020,005	792,160
	1,449,568	1,118,612

Approved on behalf of the Board:

“Signed by Robert B. Dunlop”
 Robert B. Dunlop, Director

“Signed by James Ramsay”
 James Ramsay, Director

MID-NORTH RESOURCES LIMITED
STATEMENT OF LOSS AND DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2001
(Unaudited - See Notice to Reader)

	2001 \$	2000 \$
EXPENSES		
Professional fees	3,777	-
Consulting and other fees	3,500	2,250
Automotive	3,276	2,397
Travel	2,278	-
Rent	1,236	1,419
Advertising and promotion	853	541
Office	817	1,093
Filing and registration fees	815	3,371
Insurance	605	1,676
Interest on promissory note	601	606
Amortization	350	283
Bank charges	12	33
	18,120	13,669
NET LOSS FOR THE PERIOD	(18,120)	(13,669)
DEFICIT, Beginning of period	(2,492,782)	(2,381,717)
INTEREST ON CONVERTIBLE NOTES	(4,412)	(4,448)
DEFICIT, End of period	(2,515,314)	(2,399,834)
 LOSS PER SHARE	 (0.0017)	 (0.0016)

MID-NORTH RESOURCES LIMITED
STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED MARCH 31, 2001 AND 2000
(Unaudited - See Notice to Reader)

	2001 \$	2000 \$
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Net loss for the period	(18,120)	(13,669)
Add non-cash items:		
Amortization	350	283
	(17,770)	(13,386)
Changes in other working capital elements		
Prepaid expenses	604	-
Sales taxes recoverable	3,354	(544)
Accrued interest payable	5,013	5,055
Accounts payable and accrued liabilities	8,084	(3,118)
Due to related parties	13,258	16,701
Cash flows provided by (used for) operating activities	12,543	4,708
FINANCING ACTIVITIES		
Interest on convertible notes	(4,412)	(4,448)
Cash flows used for financing activities	(4,412)	(4,448)
INVESTMENT ACTIVITIES		
(Increase) decrease in deferred expenses	(12,302)	-
Cash flows used for investment activities	(12,302)	-
NET INCREASE (DECREASE) IN CASH DURING THE PERIOD	(4,171)	260
CASH, Beginning of period	4,423	328
CASH, End of period	252	588