

METALORE RESOURCES LIMITED**FIRST QUARTER FINANCIALS (REVISED)**

For the three months ended June 30, 2002 with comparative
figures for the three months ended June 30, 2001

(unaudited)

STATEMENT OF INCOME AND RETAINED EARNINGS

	<u>2002</u>	<u>2001</u>
Revenue	\$	\$
Natural Gas Production	400,281	590,040
Royalties	602	1,881
Investment & Interest Income	1,293	Nil
	<u>402,176</u>	<u>591,921</u>
Expenses		
Production expenses	70,811	69,783
Administrative expenses	28,838	28,612
Royalties	39,765	59,045
Amortization, depletion	24,000	25,000
	<u>163,414</u>	<u>182,440</u>
Net income before taxes	238,762	409,481
Future income taxes	<u>71,870</u>	<u>131,030</u>
Net income	166,892	278,451
Retained Earnings, beginning of period	<u>7,224,346</u>	<u>6,463,929</u>
Retained earnings end of period	<u><u>7,391,238</u></u>	<u><u>6,742,380</u></u>
Earnings per share	0.10	0.16

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figures for the three months ended June 30, 2001

(unaudited)

STATEMENT OF CASH FLOWS

	<u>2002</u>	<u>2001</u>
CASH PROVIDED BY	\$	\$
(EXPENDED)		
Operations		
Net Income	166,892	278,451
Amortization, depletion	24,000	25,000
Future income taxes	71,870	131,030
Cash flow from operations before change in non-cash working capital	262,762	434,481
Change in non-cash working capital	<u>56,316</u>	<u>131,507</u>
Cash provided by operating activities	<u>319,078</u>	<u>565,988</u>
Investments		
Natural gas development	(172,010)	(175,947)
Renewable fuel costs - Ethanol	0	(1,017)
Mining exploration	(19,111)	(12,269)
	<u>(191,121)</u>	<u>(189,233)</u>
Increase (decrease) in cash	127,957	376,755
Cash beginning of period	<u>212,993</u>	<u>49,333</u>
Cash end of period	<u><u>340,950</u></u>	<u><u>426,088</u></u>
Cash flow per share	0.15	0.25

METALORE RESOURCES LIMITED

FIRST QUARTER BALANCE SHEET (REVISED)

At June 30, 2002 with comparative figures at March 31, 2002

(Unaudited)

ASSETS

	June	March
	<u>2002</u>	<u>2002</u>
Current Assets	\$	\$
Cash & cash equivalents	340,950	212,993
Marketable securities	1,440,485	1,440,485
Accounts receivable	203,077	229,493
Inventory of pipe & supplies	27,600	27,600
	<u>2,012,112</u>	<u>1,910,571</u>
Natural gas properties	10,249,242	10,077,235
Mining properties	1,398,845	1,379,734
Renewable fuel (Ethanol) costs	927,811	927,811
Accumulated amortization	<u>(2,699,440)</u>	<u>(2,675,440)</u>
	<u><u>11,888,570</u></u>	<u><u>11,619,911</u></u>

LIABILITIES & SHAREHOLDERS' EQUITY

Current liabilities		
Accounts payable & accrued liabilities	<u>248,228</u>	<u>205,937</u>
Due to shareholder	7,252	19,646
Future income taxes	<u>1,947,870</u>	<u>1,876,000</u>
	1,955,122	1,895,646
Shareholders' equity		
Share capital	2,277,982	2,277,982
Contributed surplus	16,000	16,000
Retained earnings	<u>7,391,238</u>	<u>7,224,346</u>
	<u>9,685,220</u>	<u>9,518,328</u>
	<u><u>11,888,570</u></u>	<u><u>11,619,911</u></u>
Current Ratio (assets / liabilities)	8.1 to 1	8.5 to 1

METALORE RESOURCES LIMITED
NOTES TO FINANCIAL STATEMENTS
For the Quarter ended June 30, 2002

1. Significant Accounting Policies

The financial statements of the Company have been prepared by management in accordance with generally accepted accounting principles in Canada for interim financial statements. The financial statements have, in management's opinion, been properly prepared using judgement within reasonable limits of materiality. These interim financial statements do not include all the note disclosures required for annual financial statements and therefore, should be read in conjunction with the Company's audited annual financial statements for the year ended March 31, 2002. The significant accounting policies follow that of the most recently reported annual financial statements.

2. Accounting estimates

The preparation of interim financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates.