

**FORM 51-901F**

**Quarterly Report**

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Incorporated as part of:   X   Schedule A, B & C

**ISSUER DETAILS:**

**For Quarter Ended:** March 31, 2004

**Date of Report:** May 28, 2004

**Name of Issuer:** **UC Resources Ltd.**

**Issuer's Address:** 507 – 595 Howe Street  
Vancouver, BC V6C 2T5

**Issuer's Fax Number:** (604) 681-2161

**Issuer's Phone Number:** (604) 681-6466

**Contact Person:** Eugene Larabie

**Contact Position:** President

**Contact Telephone Number:** (604) 681-6466

**Contact Email:** curion@direct.ca

**Web Site Address:** www.curion.com

**CERTIFICATE**

The Schedule(s) required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Quarterly Report will be provided to any shareholder who requests it. Please note this form is incorporated as part of both the required filing of Schedule A and Schedules B & C.

<u>Eugene Larabie</u>	<u>“Eugene Larabie”</u>	<u>04/05/28</u>
Name of Director	Signed (typed)	Date Signed (YY/MM/DD)

<u>Michael Cartmel</u>	<u>“Michael Cartmel”</u>	<u>04/05/28</u>
Name of Director	Signed (typed)	Date Signed (YY/MM/DD)

**UC RESOURCES LTD.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2004**

**(Prepared by Management Without Audit)**

**UC RESOURCES LTD.**  
**BALANCE SHEET**  
(Prepared by Management Without Audit)

	<b>March 31, <u>2004</u></b>	<b>June 30, <u>2003</u></b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and short-term deposits	\$ 260,00	\$ 9
Accounts receivable	25,92	2,3
	285,92	3,2
<b>INVESTMENT</b>	113,75	113,7
<b>RESOURCE PROPERTIES</b>	425,12	354,4
<b>CAPITAL ASSETS - NET</b>	4,15	4,1
	\$ 829,02	\$ 475,7
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,6	\$ 46
<b>SHAREHOLDERS' EQUITY</b>		
<b>SHARE CAPITAL</b>	7,269,2	6,986,8
<b>SHARE SUBSCRIPTIONS</b>	255,6	
<b>DEFICIT</b>	(6,710,4)	(6,557,8)
	814,3	428,9
	\$ 829,0	\$ 475,7

**APPROVED BY THE BOARD**

"Eugene Larabie", Director

"Michael Cartmel", Director

**UC RESOURCES LTD.**  
**STATEMENT OF LOSS AND DEFICIT**  
(Prepared by Management Without Audit)

	<b>For the Three Months</b>		<b>For the Nine Months</b>	
	<b>Ended March 31,</b>		<b>Ended March 31,</b>	
	<b><u>2004</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
REVENUE				
Interest income	\$	\$	\$ 237	\$ 89
ADMINISTRATION COSTS				
Accounting and audit	1	1	5,183	3,700
Consulting			16,500	3,000
Directors fees			5,000	-
Promotion	5		13,598	3,589
Legal	2		4,732	6,090
Listing and filing fees	5		9,356	5,166
Office expenses and rent	8	4	31,321	19,466
Printing & shareholder info	4		8,152	2,284
Property evaluation			3,632	-
Salaries and wages		5	20,000	5,000
Telephone	2		6,659	4,554
Transfer agent	1		5,742	3,334
Travel	10	4	23,098	16,870
	<u>41</u>	<u>17</u>	<u>152,873</u>	<u>73,053</u>
NET LOSS FOR PERIOD BEFORE FOLLOWING	41,	17,	152,636	72,964
Write off of oil & gas interest			-	188,612
NET LOSS FOR PERIOD	<u>\$ 41,</u>	<u>\$ 17,</u>	152,636	261,576
DEFICIT, BEGINNING OF YEAR			<u>6,557,850</u>	<u>6,258,178</u>
DEFICIT, END OF PERIOD			<u>\$6,710,486</u>	<u>\$6,519,754</u>

**UC RESOURCES LTD.**  
**STATEMENT OF CASH FLOWS**  
(Prepared by Management Without Audit)

	<b>For the Three Months Ended March 31,</b>		<b>For the Nine Months Ended March 31,</b>	
	<b><u>2004</u></b>	<b><u>2003</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
<b>CASH PROVIDED BY (USED IN)</b>				
<b>OPERATING ACTIVITIES</b>				
Net income (loss) for period	\$ (41,785)	\$ (17,987)	\$(152,636)	\$(261,576)
Item not involving cash				
Oil & gas interest written off	-	-	-	188,612
	<u>(41,785)</u>	<u>(17,987)</u>	<u>(152,636)</u>	<u>(72,964)</u>
Changes in non-cash working capital items				
- Accounts receivable	(9,555)	(78)	(23,623)	259
- Accounts payable	2,601	8,588	(32,059)	16,215
	<u>(48,739)</u>	<u>(9,477)</u>	<u>(55,682)</u>	<u>(56,490)</u>
<b>FINANCING ACTIVITIES</b>				
Shares issued for cash	100,615	10,000	282,415	88,000
Share subscriptions	255,600	-	255,600	-
	<u>356,215</u>	<u>10,000</u>	<u>538,015</u>	<u>88,000</u>
<b>INVESTING ACTIVITIES</b>				
Investment in mineral property	(66,172)	-	(70,672)	(49,250)
<b>INCREASE (DECREASE) IN CASH</b>	<b>241,304</b>	<b>523</b>	<b>259,025</b>	<b>(17,740)</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>18,700</b>	<b>(45)</b>	<b>979</b>	<b>18,218</b>
<b>CASH (OVERDRAFT) AT END OF PERIOD</b>	<b><u>\$ 260,004</u></b>	<b><u>\$ 478</u></b>	<b><u>\$ 260,004</u></b>	<b><u>\$ 478</u></b>

**UC RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2004**  
**(Prepared by Management Without Audit)**

**1. NATURE OF BUSINESS**

The Company was incorporated under the laws of British Columbia and its principal business activities include the acquisition, exploration and development of resource properties. In September 2001, shareholders approved a consolidation of share capital on a 1 new for 5 old basis and approved a name change from Curion Venture Corporation to UC Resources Ltd. The name change and share consolidation were approved and completed in October 2001.

**2. SIGNIFICANT ACCOUNTING POLICIES**

a) Resource Properties – Oil, Gas and Mineral Properties

Acquisition costs of resource properties together with direct exploration and development expenditures thereon are deferred in accounts. When production is attained, these costs will be amortized over their expected useful life. When a property is abandoned or the net recoverable investing is estimated to be less than cost, the accumulated costs relating to the property are written off or written down. Excess recovery proceeds from mineral property options are posted to income when received. Administration costs are written off to deficit in the year they are incurred.

The amounts shown for resource property and deferred exploration costs represent costs to date or amounts written down to nominal or estimated recoverable value and are not intended to reflect present or future values.

b) Capital Assets

Capital assets are stated at cost. Amortization is provided on furniture and equipment on a straight line basis over ten years.

c) Foreign Currency Transactions

The statements are presented in Canadian dollars whereby monetary items are translated at the rate of exchange in effect at the balance sheet date. All non-monetary items comprising equipment, mineral properties, deferred charges and revenue and expense items are translated at historical exchange rates.

d) Financial Instruments

The carrying value of the Company's current assets and current liabilities at March 31, 2004 and June 30, 2003 approximates their fair value due to the relatively short-term periods to maturity of these instruments.

**UC RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2004**  
**(Prepared by Management Without Audit)**

**3. MINERAL PROPERTY INVESTMENT**

During 2001, the Company entered into an agreement to combine its Staircase property with a group of seventeen properties in the South Voisey Bay area. The properties are to be developed or sold as a combined group. In the agreement, the Company assigns title to the property in exchange for shares of a private company. In signing the agreement, the Company received 153,194 common shares in SVB Nickel Company Ltd., being 1.2% interest in this mineral property syndicate. In July, 2002, the Company acquired an additional 4.2% interest in SVB Nickel Co. Ltd. by the issuance of 300,000 shares at a deemed value of \$.12 per share.

\$113,797

**4. MINERAL PROPERTY INTERESTS**

Gregory River Property, Newfoundland

By an agreement dated July 9, 2002, the Company acquired a 100% interest in 24 mineral claims covering approximately 600 hectares. Acquisition costs were \$20,750 and the issuance of 700,000 shares at a deemed value of \$.10 per share. The vendor holds a 1% net smelter royalty, one-half which can be purchased for \$1,000,000.

\$90,950

Botwood Basin Property, Newfoundland

The Company acquired a 100% interest in 166 mineral claims covering approximately 4,150 hectares in an agreement on July 9, 2002. Acquisition costs were \$28,500 and the issuance of 800,000 shares of the company at a deemed price of \$.15 per share. The vendor holds a 2% NSR, one-half of which can be purchased for \$1,000,000.

\$148,500

Raglan 1 and Raglan 2 Claim Groups, Quebec

By two separate agreements dated March 24, 2003, the Company acquired the right to purchase a 100% interest in a 16 claim group and a 172 claim group covering over 18,000 acres in total. Acquisition costs in each agreement call for the issuance of 500,000 shares each at a deemed value of \$.10 (issued), cash payments of \$25,000 each (not paid) and finders fee payments of \$7,500 each (paid). The vendor in each agreement holds a 1% NSR, one-half of each, which can be purchased for \$1,000,000.

\$115,000

Ungava Property, Quebec

The Company was granted an option to acquire a 50% interest in two claim groups covering 335 mineral claims in the Raglan Mine District, Ungava area. The Company is to issue 1,000,000 shares in four instalments, 250,000 shares have been issued at a deemed price of \$.13 per share and incur \$1,500,000 in expenditures over three years.

\$37,000

**UC RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2004**  
**(Prepared by Management Without Audit)**

**4. MINERAL PROPERTY INTERESTS (Con't)**

Copalquin Property, Mexico

The Company entered into an agreement to earn a 50% interest in a 7,005 hectare gold/silver property in the Sierra Madre mineralogical belt of Durango, Mexico. The terms require the company to pay \$25,000 US down (paid) and payments in US dollars over 3 years of \$25,000, \$40,000, \$100,000 and \$250,000 by July 13, 2006. The Company is also required to undertake work programs of \$250,000 on the first stage and \$500,000 each on the second and third stage.

\$33,677

Expenditures on resource properties as follows:

	<b>Mineral Properties</b>	<b>Oil and Gas</b>
Balance, June 30, 2002	\$ -	\$188,612
Additions in year		
Acquisition costs	354,250	-
Licence and fees	200	-
Less: Amounts written off to deficit	-	(188,612)
Balance, June 30, 2003	354,450	-
Additions in period		
Acquisition costs	70,672	-
Balance, March 31, 2004	\$424,922	\$ -

**5. SHARE CAPITAL**

**Authorized** - 100,000,000 common shares without par value.

<b>Issued</b>	<b>Shares</b>	<b>Amount</b>
Balance, June 30, 2002	8,028,253	\$6,592,824
Issued in period		
- for cash	900,000	118,000
- for mineral property interests	2,800,000	326,000
Balance, June 30, 2003	11,728,253	\$6,986,824
Issued in period		
- for cash	2,473,000	249,915
- for mineral properties	250,000	32,500
Balance, March 31, 2004	14,451,253	\$7,269,239

**UC RESOURCES LTD.  
NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2004  
(Prepared by Management Without Audit)**

**5. SHARE CAPITAL (Con't)**

**Stock Options:** Issued and outstanding as follows:

	<u>Number of Shares</u>	<u>Exercise Price</u>
Outstanding, June 30, 2003	600,000	\$ .10
Granted in period – September, 2003	900,000	.105
Exercised in period - .10 options	600,000	.10
- .105 options	<u>523,000</u>	<u>.105</u>
Outstanding, March 31, 2004	<u>377,000</u>	<u>\$.105</u>

Options outstanding at March 31, 2004 are for 377,000 shares exercisable at \$.105 per share until September 4, 2005.

**Warrants:** In the period there were 1,350,000 shares issued for warrants exercised at \$.10 per share for proceeds of \$135,000. In August 2003, warrants for 1,350,000 shares at \$.15 per share expired unexercised. There were no warrants outstanding at the end of the period.

**Share Subscriptions:** A total of \$255,600 was received in the period towards a private placement of 3,050,000 units at \$.16 per unit (see Subsequent Events).

**Escrow Shares:** None.

**6. RELATED PARTY TRANSACTIONS**

In the period, the Company paid \$16,500 for office, rent and administration to a company controlled by the president and paid directors fees of \$5,000.

**7. SUBSEQUENT EVENTS**

In May 2004, the Company completed a non-brokered private placement of 3,050,000 units at \$.16 per unit. Each unit consists of one share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire an additional share for one year at \$.21 per share.

**SCHEDULE B: SUPPLEMENTARY INFORMATION**

1. - Financial statements attached.  
- During the period, the Company paid \$16,500 for office rent, administration and consulting to a company controlled by the president and \$5,000 to directors for management fees.
2. a) **SECURITIES ISSUED IN QUARTER:** 655,000 shares for stock options exercised at \$.10 and \$.105 per share for total proceeds of \$68,115.  
b) **OPTIONS GRANTED IN QUARTER:** None.
3. a) **SHARE CAPITAL:**  
Authorized: 100,000,000 common shares without par value  
Issued and Outstanding: 14,451,253

**STOCK OPTIONS OUTSTANDING:** To directors as follows:

	<u>Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
David Boyd	377,000	.105	September 4, 2005

- c) **ESCROW SHARES** – None.
- d) **LIST OF DIRECTORS AND OFFICERS:**  
  
Eugene Larabie – Director and Officer  
G. Michael Cartmel - Director  
R. David Boyd – Director  
Janie Hemingway - Officer

**UC RESOURCES LTD.**  
**MARCH 31, 2004**

**SCHEDULE C: MANAGEMENT DISCUSSION**

The Company's mining claims in the South Voisey Bay area of Labrador, were converted to shares in a privately held Company to be jointly developed with a large group of properties in the same area. In September 2001, an agreement was reached whereby Falconbridge Limited can earn a 50% interest in the SVBN Property and other properties comprising the South Voisey Bay Project. Falconbridge has completed an additional \$1.25 million in the 2002 field season which is to include line cutting, geology, geophysics and diamond drilling. The Company holds a 5.4% interest in the holding company at a cost of \$113,797.

The Company presently has one main office and a satellite office in Spokane, Washington. The Company has part-time employees who perform diversified office duties as well as public relations. Directors were paid \$5,000 in the period for management fees and a company controlled by the President, was paid \$16,500 in the period for office, rent and administration. Consultants are engaged on an as needed basis. No other amount was paid to directors and officers in the period. The Company had incurred \$41,845 in administration costs in the three month period compared to \$17,987 in the same period in the previous year.

The Company raised \$249,915 in equity capital in the period from warrants exercised for 1,350,000 shares at \$.10 per share and stock options exercised for 1,123,000 shares at \$.10 and \$.105 per share. Investor relations are being provided by employees, directors and officers of the Company. The Company had working capital of \$271,242 at March 31, 2004.

The Company acquired two mineral property groups in Newfoundland. The Gregory River Property, covering 600 hectares and the Botwood Basin Property, covering 4,150 hectares were both acquired in July 2002. The properties were acquired by the payments of \$20,750 and \$28,500 cash and the issuance of 700,000 and 800,000 shares respectively for the two properties.

In April 2003, the Company acquired the Raglan 1 and Ragland 2 properties in the Ungava Region of Quebec. The properties are 16 and 172 mineral claims and cover an area of 18,985 acres in total. The Company is to pay \$25,000 cash and issued 500,000 shares for each property acquired with the vendor retaining a 1% NSR royalty on the properties.

The Company also acquired an option to earn a 50% interest in 2 claim groups covering 335 claims in the Raglan Mine area, Ungava area of Northern Quebec. The Company issued 250,000 shares at a deemed price of \$.13 per share for the properties

The Company entered into an agreement to earn a 50% interest in the Copalquin gold/silver concession in Durango, Mexico. The Company is to pay \$440,000 US in option payments and

undertake programs totaling \$1,250,000 US over 3 years to earn their interest. This property acquisition is subject to regulatory approval. The Company completed a 3,050,000 unit private placement at \$.16 per unit subsequent to the period and will use these funds to develop the Copalquin property in Mexico.