

Consolidated Balance Sheets

As at June 30

Expressed in thousands of United States dollars

	2005	2004
ASSETS		
CURRENT		
Cash	\$ 37,799	\$ 1,994
Accounts receivable	3,147	216
Prepaid expenses	1,085	769
Inventories (Note 4)	6,043	3,547
Investment in and advances from Metorex Limited	-	2,018
Other	-	42
	48,074	8,586
NALUNAQ PROPERTY, PLANT AND EQUIPMENT (Note 3)	55,386	53,901
INVESTMENT IN BARBERTON MINES LTD (Note 5)	6,632	7,144
OTHER MINERAL PROPERTY INTERESTS (Note 6)	3,456	3,309
OTHER ASSETS (Note 18)	2,196	1,885
	\$ 115,744	\$ 74,825

LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 11,899	\$ 8,095
	11,899	8,095
REHABILITATION PROVISION (Note 7)	570	574
CONVERTIBLE BONDS (Note 8)	3,113	14,048
OTHER LONG-TERM DEBT (Note 9)	22,868	-
CAPITAL LEASE OBLIGATION	343	-
FUTURE INCOME TAXES (Note 10)	2,717	2,482
NON-CONTROLLING INTEREST	940	2,856
	\$ 42,450	\$ 28,055

SHAREHOLDERS' EQUITY		
Share capital (Note 11)	152,077	\$ 116,467
Equity component of convertible bonds (Note 8)	76	553
Share purchase warrants (Note 11 (e))	-	404
Contributed surplus	548	176
Deficit	(81,070)	(72,105)
Cumulative translation adjustment (Note 12)	1,663	1,275
	73,294	46,770
	\$ 115,744	\$ 74,825

CONTINUING OPERATIONS (Note 1)
 COMMITMENTS AND CONTINGENCIES (Note 13 and 14)
 SUBSEQUENT EVENTS (Note 20)

On behalf of the Board:

(Signed) Jan Vestrum, Director

(Signed) William R. LeClair, Director