



**British Columbia
Securities Commission**

**QUARTERLY AND YEAR END REPORT
BC FORM 51-901F (previously Form 61)**

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INCORPORATED AS PART OF:

Schedule A

Schedule B
(place X in appropriate category)

ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
FIRST GOLDWATER RESOURCES INC.	November 30, 2003	04/01/22

ISSUER'S ADDRESS **1502-543 Granville Street**

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
Vancouver	BC	V6C 1X8	604-697-0686	604-683-5774

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
Conrad Clemiss	Director	604-683-5774

CONTACT E-MAIL ADDRESS	WEB SITE ADDRESS
conradc@shaw.ca	N/A

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

"Conrad Clemiss"	CONRAD CLEMISS	04/01/22
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD

Tom Pressello	TOM PRESSELLO	04/01/22
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD

(Electronic signatures should be entered in "quotations")

FIRST GOLDWATER RESOURCES INC.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
November 30, 2003 and 2002
(Stated in Canadian Dollars)
(Unaudited-Prepared by Management)

FIRST GOLDWATER RESOURCES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
November 30, 2003 and May 31, 2003
(Unaudited- Prepared by Management)

	<u>ASSETS</u>	<u>Nov. 30, 2003</u> (Unaudited)	<u>May 31, 2003</u> (Audited)
Current			
Cash		\$ 11,420	\$ 15,551
Accounts receivable		33,600	26,479
Prepaid expenses		-	2,125
		45,020	44,155
Capital assets, net of amortization		1,533	-
Resource property costs – Note 3 and Schedule 1		70,000	70,000
		\$ 116,553	\$ 114,155

LIABILITIES

Current			
Accounts payable and accrued liabilities		\$ 14,625	\$ 22,085

SHAREHOLDERS' EQUITY (DEFICIENCY)

Share capital – Notes 4		6,480,886	5,963,017
Units subscribed		-	500,000
Deficit		(6,378,958)	(6,370,947)
		101,928	92,070
		\$ 116,553	\$ 114,155

Nature and Continuance of Operations – Note 1

APPROVED BY THE DIRECTORS:

“Tom Pressello” , Director

“Conrad Clemis” , Director

SEE ACCOMPANYING NOTES

FIRST GOLDWATER RESOURCES INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
for the six months ended November 30, 2003 and 2002
(Unaudited- Prepared by Management)

	<u>Second Quarter</u>		<u>Cumulative</u>	
	3 months Ended 30-Nov-03	3 months Ended 30-Nov-02	6 months Ended 30-Nov-03	6 months Ended 30-Nov-02
Revenue				
Oil and gas income, net	15,984	30,794	25,881	35,395
	<u>15,984</u>	<u>30,794</u>	<u>25,881</u>	<u>35,395</u>
Expenses				
Accounting and audit fees	(1,022)	(4,820)	1,280	(4,120)
Amortization of capital assets	81	-	81	-
Amortization / depletion of resource property costs	-	-	-	161,527
Bank charges and interest	66	10,069	157	21,004
Communications	493	349	986	(2,669)
Consulting fees	12,450	3,863	13,662	5,483
Filing and transfer agent fees	6,602	6,247	9,002	13,616
Foreign exchange loss (gain)	1,153	-	1,002	-
Gain on forgiveness of debt	(9,889)	-	(10,548)	-
Gain on recovery of loan written off	-	-	(12,602)	-
Loss on sale of securities	-	(313)	-	387
Legal fees	11,503	514	17,769	5,055
Management fees	-	-	-	3,666
Office and general	2,104	(734)	5,103	467
Provincial and state taxes (recovered)	-	-	-	(400)
Rent and administration	8,000	867	8,000	468
Travel and promotion	-	-	-	4,400
	<u>31,541</u>	<u>16,042</u>	<u>33,892</u>	<u>208,884</u>
Net income (loss) for the period	(15,557)	14,752	(8,011)	(173,489)
Retained Earnings (Deficit) Beginning of Period	(6,363,401)	(6,162,708)	(6,370,947)	(5,974,467)
Retained Earnings (Deficit) End of Period	<u>\$ (6,378,958)</u>	<u>\$ (6,147,956)</u>	<u>\$ (6,378,958)</u>	<u>\$ (6,147,956)</u>
Basic income (loss) per share for the period	<u>(\$ 0.005)</u>	<u>\$ 0.014</u>	<u>(\$ 0.002)</u>	<u>(\$ 0.170)</u>

SEE ACCOMPANYING NOTES

FIRST GOLDWATER RESOURCES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the six months ended November 30, 2003 and 2002
(Unaudited- Prepared by Management)

	<u>Second Quarter</u>		<u>Cumulative</u>	
	3 months Ended 30-Nov-03	3 months Ended 30-Nov-02	6 months Ended 30-Nov-03	6 months Ended 30-Nov-02
Operating Activities				
Net income (loss) for the period	(15,557)	14,752	(8,011)	(173,489)
Items not involving cash:				
Amortization of capital assets	81	-	81	-
Amortization of resource property costs	-	-	-	161,527
	<u>(15,476)</u>	<u>14,752</u>	<u>(7,930)</u>	<u>(11,962)</u>
Net changes in non-cash working capital balances:				
Accounts receivable and loans receivable	3,052	(6,754)	(7,121)	15,134
Marketable securities	-	-	-	4,000
Prepaid expenses	1,112	1,551	2,125	971
Accounts payable and accrued liabilities	(10,305)	137	(7,460)	4,097
	<u>(21,617)</u>	<u>9,686</u>	<u>(20,386)</u>	<u>12,240</u>
Financing Activities				
Issuance of common shares	17,869	-	17,869	28,750
	<u>17,869</u>	<u>-</u>	<u>17,869</u>	<u>28,750</u>
Investing Activities				
Increase (decrease) in resource property costs	-	(3,095)	-	(9,718)
Acquisition of capital assets	(1,614)	-	(1,614)	-
	<u>(1,614)</u>	<u>(3,095)</u>	<u>(1,614)</u>	<u>(9,718)</u>
Increase (Decrease) in Cash During the Period	<u>(5,362)</u>	<u>6,591</u>	<u>(4,131)</u>	<u>31,272</u>
Cash, Beginning of Period	16,782	31,593	15,551	6,912
Cash, End of Period	<u>\$ 11,420</u>	<u>\$ 38,184</u>	<u>\$ 11,420</u>	<u>\$ 38,184</u>

SEE ACCOMPANYING NOTES

FIRST GOLDWATER RESOURCES INC.
SCHEDULE OF RESOURCE PROPERTY COSTS
As of November 30, 2003 and May 31, 2003
(Unaudited- Prepared by Management)

Schedule 1

	Pioneer Canal 61-9 <u>USA</u>	Nov. 30, 2003 <u>Total</u>	May 31, 2003 <u>Total</u>
Balance, Beginning of period	\$ 70,000	\$ 70,000	\$ 177,089
Deferred Exploration Costs:			
Drilling and field costs	-	-	-
Amortization and depletion	-	-	(107,089)
Balance, End of the period	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>

SEE ACCOMPANYING NOTES

FIRST GOLDWATER RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
November 30, 2003 and 2002
(Unaudited- Prepared by Management)

Note 1 Nature and Continuance of Operations

First Goldwater Resources Inc. was incorporated on July 15, 1985 under the Company Act of British Columbia. The Company is a development stage company engaged in the acquisition and exploration of mineral properties in USA. The Company is a reporting issuer in British Columbia and trades on the TSX Venture Exchange under the symbol FGW.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has accumulated losses of \$6,378,958 since inception. The Company's ability to meet its obligations and maintain its operations is contingent upon successful completion of additional financing arrangements and/or the ability to generate profitable operations in the future.

The Company is in the process of exploring its resource properties and has not determined whether these properties contain reserves, which are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete their exploration and development and future profitable production from the properties or proceeds from their disposition.

Note 2 Summary of Significant Accounting Policies

The unaudited interim financial statements are prepared by the Company in accordance with Canadian accepted accounting principles. The preparation of financial data is based on accounting policies and practices consistent with those used in the annual audited financial statements. These interim financial statements do not include all the disclosures included in the Company's annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the Company's annual financial statements.

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates that have been made using careful judgement. Actual results may differ from these estimates.

The interim financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its newly incorporated wholly-owned subsidiary, Goldwater Energy Inc. All significant inter-company transactions and balances have been eliminated.

Note 2 Summary of Significant Accounting Policies – (cont'd)

(b) Oil and Gas Properties and Depletion

The Company follows the full cost method of accounting for oil and gas operations whereby all costs of exploring for and developing oil and gas reserves are initially capitalized. Such costs include land acquisition costs, geological and geophysical expenses, carrying charges on non-producing properties, costs of drilling and overhead charges directly related to acquisition and exploration activities.

Costs capitalized, together with the costs of production equipment, are depleted and amortized on the unit-of-production method based on the estimated gross proved reserves as determined by independent petroleum engineers. Petroleum products and reserves are converted to a common unit of measure, using 6 MCF of natural gas to one barrel of oil.

Costs of acquiring and evaluating unproved properties are initially excluded from depletion calculations. These unevaluated properties are assessed periodically to ascertain whether impairment has occurred. When proved reserves are assigned or the property is considered to be impaired, the cost of the property or the amount of the impairment is added to costs subject to depletion calculations.

Proceeds from a sale of petroleum and natural gas properties are applied against capitalized costs, with no gain or loss recognized, unless such a sale would alter the rate of depletion by more than 20%. Royalties paid net of any tax credits received are netted with oil and gas sales.

In applying the full cost method, the Company performs a ceiling test on properties which restricts the capitalized costs less accumulated depletion from exceeding an amount equal to the estimated undiscounted value of future net revenues from proved oil and gas reserves, as determined by independent engineers, based on sales prices achievable under existing contracts and posted, average reference prices in effect at the end of the year and current costs, and after deducting estimated future general and administrative expenses, production related expenses, financing costs, future site restoration costs and income taxes.

(c) Fair Market Value of Financial Instruments

The carrying values of cash, accounts receivable, and accounts payable and accrued liabilities approximate fair value because of the short-term maturity of those instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Note 2 Summary of Significant Accounting Policies – (cont'd)

(d) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at rates of exchange in effect at the date of the balance sheet. Gains or losses are included in income of the year. Non-monetary assets, liabilities and other items recorded in income arising from transactions denominated in foreign currencies, are translated at rates of exchange in effect at the date of the transaction.

(e) Basic and Diluted Loss Per Share

Basic earnings per share are computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the “if converted” method. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

(f) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for tax purposes only if it is more likely than not that they can be realized.

(g) Marketable Securities

Marketable securities are valued at the lower of cost and market value.

(h) Stock-based Compensation

The Company has a stock-based compensation plan as disclosed in Note 4, whereby stock options are granted in accordance with the policies of regulatory authorities. The Company applies the “settlement method” of accounting for stock-based compensation awards. No compensation expense is recognized for those options when issued to employees and directors. Any consideration paid by employees and directors upon exercise of stock options is credited to share capital.

Effective for fiscal years beginning on or after January 1, 2002, public companies are required to adopt the new recommendations of the Canadian Institute of Chartered Accountants regarding accounting for Canadian Stock-based Compensation. These new requirements require that all stock based payments to non-employees and direct

Note 2 Summary of Significant Accounting Policies – (cont'd)

awards of stock to employees are accounted for using a fair value based method of accounting. However, the new standard permits the Company to continue its existing policy of not recording compensation cost on the grant of stock options to employees with the addition of pro forma information. The Company has elected to apply the pro forma disclosure provisions of the new standard to awards granted on or after June 1, 2002.

Note 3 Resource Property Costs

Oil and Gas Properties

Kern County, USA, Pioneer Canal 61-9 Prospect

During the year ended May 31, 1998, the Company entered into an option agreement whereby the Company earned a 27.93% working interest in the Pioneer Canal 61-9 Prospect, located in Kern County, California.

The Company's working interest is reduced to 18.99% when the cash investment is recovered from the net production proceeds. The Company has the right to participate in further wells drilled on the property.

On February 6, 1999, the oil and gas well commenced production. The working interest is subject to a total royalty burden of 22.5% and an ad valorem tax of 1.5%. The Company earned net revenues of \$15,984 and \$30,794 on the prospect for the three months ended November 30, 2003 and 2002, respectively.

	<u>Nov. 30, 2003</u>	<u>May 31, 2003</u>
Acquisition costs	\$ 229,442	\$ 229,442
Drilling	131,359	131,359
Engineering	7,440	7,440
Finder's fee	35,659	35,659
Reports and mapping	7,457	7,457
Surface equipment	249,014	249,014
	<hr/>	<hr/>
	660,371	660,371
Accumulated depletion	(590,371)	(590,371)
	<hr/>	<hr/>
Total	\$ 70,000	\$ 70,000
	<hr/> <hr/>	<hr/> <hr/>

First Goldwater Resources Inc.
Notes to the Interim Consolidated Financial Statements
November 30, 2003 and 2002 – Page 5
(Unaudited- prepared by management)

Note 4 Share Capital

a) Authorized:

200,000,000 common shares without par value

b) <u>Issued:</u>	<u>Number</u>	<u>\$</u>
Balance, May 31, 2001	13,269,020	5,507,367
For cash:		
Pursuant to a private placement– at \$0.125	980,000	122,500
Pursuant to the exercise of share purchase options		
– at \$0.12	23,500	2,820
– at \$0.17	30,000	5,100
Pursuant to the exercise of share purchase warrants		
– at \$0.124	95,000	11,780
– at \$0.175	224,000	39,200
Pursuant to the conversion of special warrant	1,636,666	245,500
– at \$0.15		
	<hr/>	<hr/>
Balance, May 31, 2002	16,258,186	5,934,267
For cash:		
Pursuant to the exercise of share purchase options		
– at \$0.11	125,000	13,750
Pursuant to the exercise of share purchase warrants		
– at \$0.10	150,000	15,000
Cancellation of escrow shares	(274,807)	-
	<hr/>	<hr/>
	16,258,379	5,963,017
Rollback of share capital 16:1	(15,242,230)	-
	<hr/>	<hr/>
Balance, May 31, 2003	1,016,149	5,963,017
Pursuant to a private placement	5,000,000	500,000
– at \$0.10		
Share entitlement correction	5	-
Pursuant to the exercise of share purchase warrants	137,450	17,869
-at \$0.13		
	<hr/>	<hr/>
Balance, November 30, 2003	<u>6,153,604</u>	<u>6,480,886</u>

c) Escrow:

During the year ended May 31, 2003, the Company cancelled 274,807 escrow shares.

SEE ACCOMPANYING NOTES

d) Commitments:

i) Share Purchase Options

On October 1, 2003 the Company granted 260,000 share purchase option to employees, consultants and directors.

ii) Share Purchase Warrants

At November 30, 2003, there were 4,914,425 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
51,875	\$1.60	November 26, 2003*
4,862,550	\$0.13	July 11, 2005
<u>4,914,425</u>		

* If the closing price for the Company's share is \$2.00 per share or greater for a period of 10 consecutive trading days, then the warrant holders will have 30 days to exercise their warrants, otherwise the warrants will expire on the 31st day.

Note 5 Related Party Transactions

(a) The Company incurred the following transactions with directors or officers of the Company or with companies with directors or officers in common:

	Six Months ended Nov. 30,	
	<u>2003</u>	<u>2002</u>
Consulting fees	\$ 13,662	\$ 5,483
Interest	-	6,062
Management fees	-	3,666
Office and printing	3,000	-
Rent and administration	8,000	867
	<u>\$ 24,662</u>	<u>\$ 16,078</u>

The charges were measured by the exchange amount which is the amount agreed upon by the transacting parties.

Note 5 Related Party Transactions– (cont'd)

b) At November 30, 2003, the Company had the following amounts due from a company of a former director of the Company or companies with directors in common:

	<u>Nov. 30, 2003</u>	<u>May 31, 2003</u>
Accounts receivable	33,600	8,580
Accounts payable and accrued liabilities	-	(1,216)

Note 6 Segmented Information

Geographic Information

Revenues from operations in the six months ended November 30, 2003 were derived from oil and gas sales in the United States.

The Company's non-current assets in geographic locations are as follows:

	<u>Nov. 30, 2003</u>	<u>May 31, 2003</u>
Canada	\$ -	\$ -
United States	70,000	70,000
	<u>\$ 70,000</u>	<u>\$ 70,000</u>

Note 7 Subsequent Events

On December 2, 2003, the Company entered into a letter agreement to purchase 100% of the issued and outstanding shares of Mintec International Corporation (“Mintec”) from its shareholders, in consideration of an aggregate of 40,000,000 common shares of First Goldwater Resources Inc. The share exchange will result in a change of control of the Issuer (the “RTO”) In addition, the share exchange is subject to the Issuer completing an equity issue to raise a minimum of \$10 million at not less than \$1 per share.

Mintec is a privately held company in the business of mineral exploration and development. Mintec is the beneficial shareholder of all the issued and outstanding shares of Mineral Metalurgica del Boleo S.A.de C.V.(“MMB”), a Mexican company that holds a 100% registered and beneficial interest in the Boleo copper-cobalt-zinc mineral deposit (the”Boleo Property”). Upon the completion of the RTO, the Company will focus on the ongoing development of the Beleo property.

The closing of the proposed transaction is subject to both companies and the Sponsor completing due diligence investigations and obtaining approval from all other applicable regulatory authorities.

The Company also announced a proposed change of fiscal year end from May 31st to December 31st in order to bring the Company and its subsidiaries inline as one so that all fiscal year ends are the same. The proposed change is subject to obtaining applicable regulatory approval and approval from Canada Custom and Revenue Agency.