



BCSC

British Columbia Securities Commission

QUARTERLY REPORT

BC FORM 51-901F
(previously Form 61)

INCORPORATED AS PART: **X** Schedule A

Schedule B and C

ISSUER DETAILS		
<i>Name of Issuer</i>	<i>For Quarter Ended</i>	<i>Date of Report</i>
STIKINE GOLD CORPORATION	November 30, 2003	January 29, 2004
<i>Issuer's Address</i>	<i>Issuer's Fax No.</i>	<i>Issuer's Telephone No.</i>
500 – 1045 HOWE ST. VANCOUVER, BC, V6Z 2A9	(604) 684-5909	(604) 684-5900 Ext. 147
<i>Contact Person</i>	<i>Contact's Position</i>	<i>Contact's Telephone No.</i>
DAVID SKERLEC	CHIEF FINANCIAL OFFICER	(604) 219-0051
<i>Contact Email Address</i>		<i>Web Site Address</i>
dskerlec@stikinegold.com		www.stikinegold.com
<u>CERTIFICATE</u>		
The three schedules required to complete this Report are attached and the disclosures contained herein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.		
<i>Director's Signature</i>	<i>Print Full Name</i>	<i>Date Signed</i>
<i>"Scott E. Broughton"</i>	Scott E. Broughton	<i>January 29, 2004</i>
<i>Director's Signature</i>	<i>Print Full Name</i>	<i>Date Signed</i>
<i>"John M. Mirko"</i>	John M. Mirko	<i>January 29, 2004</i>

STIKINE GOLD CORPORATION

(A Development Stage Company)

FINANCIAL STATEMENTS

For the Nine Months Ended

NOVEMBER 30, 2003

(Expressed in Canadian Dollars)

Prepared by Management Without Audit

Stikine Gold Corporation

(A Development Stage Company)

Balance Sheet

Canadian Funds

	As at November 30, 2003 (Unaudited)	As at February 28, 2003
ASSETS		
Current		
Cash and cash equivalents	\$ 56,087	\$ 109,605
Receivables	56,670	15,127
Prepaid expenses	6,413	-
	<u>119,170</u>	<u>124,732</u>
Resource Property Costs - Schedule (Note 4)	967,629	194,459
Reclamation Bond	5,000	-
Capital Assets (Note 5)	4,918	2,837
	<u>977,547</u>	<u>197,296</u>
	<u>\$ 1,096,717</u>	<u>\$ 322,028</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 31,285	\$ 28,580
SHAREHOLDERS' EQUITY		
Share Capital (Note 6)	1,274,217	337,835
Contributed Surplus (Note 6)	25,333	-
Deficit	(234,118)	(44,387)
	<u>1,065,432</u>	<u>293,448</u>
	<u>\$ 1,096,717</u>	<u>\$ 322,028</u>

ON BEHALF OF THE BOARD:

"Scott E. Broughton", Scott E. Broughton, Director

"John M. Mirko", John M. Mirko, Director

- See Accompanying Notes -

Stikine Gold Corporation

(A Development Stage Company)

Statement of Loss and Deficit

Unaudited

Canadian Funds

	For the Three Months Ended		For the Nine Months Ended	
	November 30, 2003	November 30, 2002	November 30, 2003	November 30, 2002
Expenses				
Audit, Accounting and legal	\$ 14,301	\$ -	\$ 27,952	\$ -
Advertising and promotion	8,247	-	25,663	-
Amortization	356	-	782	-
Listing and filing fees	3,743	-	4,395	-
Consulting fees	31,675	-	93,034	-
Office and sundry	2,442	-	11,400	-
Rent	1,500	-	4,500	-
Travel	22,495	-	23,338	-
Loss before under-noted	84,759	-	191,064	-
Interest income for the period	(449)	-	(1,333)	-
Loss for the period	\$ 84,310	\$ -	\$ 189,731	\$ -
Deficit, beginning of period	149,808	-	44,387	-
Deficit, end of period	\$ 234,118	\$ -	\$ 234,118	\$ -
Loss per Share - Basic and Diluted	\$ 0.01	\$ N/A	\$ 0.02	\$ N/A

- See Accompanying Notes -

Stikine Gold Corporation

(A Development Stage Company)

Statement of Cash Flows

Unaudited

Canadian Funds

	<u>For the Three Months Ended</u>		<u>For the Nine Months Ended</u>	
	<u>November 30,</u>	<u>November 30,</u>	<u>November 30,</u>	<u>November 30,</u>
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash Resources Provided By (Used In):				
Operating Activities				
Loss for the period	\$ (84,310)	\$ -	\$ (189,731)	\$ -
Items not affected by cash:				
Amortization	356	-	781	-
Stock-option based portion of consulting fees	-	-	25,333	-
	<u>(83,954)</u>	<u>-</u>	<u>(163,617)</u>	<u>-</u>
Changes in non-cash working capital:				
Receivables	(9,568)	-	(41,543)	-
Prepaid expenses	1,685	-	(6,413)	-
Accounts payable and accrued liabilities	(68,608)	-	2,705	-
	<u>(160,445)</u>	<u>-</u>	<u>(208,868)</u>	<u>-</u>
Investing Activities				
Reclamation Bond	-	-	(5,000)	-
Purchase of Capital Assets	(2,862)	-	(2,862)	-
Resource property costs	(109,632)	-	(728,170)	-
	<u>(112,494)</u>	<u>-</u>	<u>(736,032)</u>	<u>-</u>
Financing Activities				
Share issue proceeds	-	-	1,105,555	-
Share issue costs (recovery)	5,011	-	(214,173)	-
	<u>5,011</u>	<u>-</u>	<u>891,382</u>	<u>-</u>
Net Increase (decrease) in Cash and cash equivalents	(267,928)		(53,518)	-
Cash and cash equivalents - Beginning of Period	324,015		109,605	
Cash and cash equivalents - End of Period	\$ 56,087	\$ -	\$ 56,087	\$ -
Supplemental Schedule of non-cash Transactions				
Stock-Option based consulting	\$ -		\$ 25,333	
Shares issued for property	17,000		45,000	
Shares issue for services	-		25,000	
	<u>\$ 17,000</u>		<u>\$ 95,333</u>	

- See Accompanying Notes -

Stikine Gold Corporation

(A Development Stage Company)

Schedule of Resource Property Costs

Unaudited

Canadian Funds

	For the Three Months Ended		For the Nine Months Ended	
	November 30, 2003	November 30, 2002	November 30, 2003	November 30, 2002
William's Gold Project, B.C., Canada				
Acquisition Costs				
Option payment – cash	\$ -	\$ -	\$ 25,000	\$ -
Option payment – shares	-	-	28,000	-
	-	-	53,000	-
Deferred Exploration Costs				
Drilling	-	-	216,770	-
Aircraft Charter	8,182	-	181,792	-
Labour, Camp Costs	1,164	-	87,470	-
Geological	880	-	54,560	-
Maps and reports	-	-	2,091	-
Travel	-	-	2,604	-
Accommodation and meals	3,205	-	6,259	-
Communication	-	-	2,634	-
Materials	2,354	-	55,143	-
Assaying	18,882	-	18,882	-
	34,667	-	628,205	-
	34,667	-	681,205	-
Sullivan Deeps Project, B.C., Canada				
Acquisition Costs				
Assignment of Option - cash	51,143	-	51,143	-
Option payment – shares	17,000	-	17,000	-
Staking Costs	10,180	-	10,180	-
	78,323	-	78,323	-
Deferred Exploration Costs				
Geological	10,000	-	10,000	-
Maps and reports	2,606	-	2,606	-
Travel	1,036	-	1,036	-
	13,642	-	13,642	-
	91,965	-	91,965	-
Costs for the Period	126,632	-	773,170	-
Balance - Beginning of Period	840,997	-	194,459	-
Balance - End of Period	\$ 967,629	\$ -	\$ 967,629	\$ -

- See Accompanying Notes -

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

1. Nature of Operations

The Company was incorporated July 10, 2000 as Withit Capital Corp. and changed its name to Stikine Gold Corporation June 18, 2002. The Company was inactive until it commenced operations in the 2003 fiscal year.

The Company is a development stage company that engages principally in the acquisition, exploration and development of resource properties. The recovery of the Company's investment in its resource properties is dependent upon the discovery, development and sale of ore reserves and the ability to raise sufficient capital to finance this operation. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

2. Significant Accounting Policies

These interim financial statements follow the same accounting policies and methods of their application, and should be read in conjunction with the audited financial statements as at February 28, 2003.

3. Fair Value of Financial Instruments

The Company's financial instruments consist of cash, receivables and accounts payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

4. Resource Property Costs

Details are as follows:

	Acquisition	Deferred Exploration	As at November 30 2003	As at November 30 2002
William's Gold Property	\$ 77,892	\$ 797,772	\$ 875,664	\$ -
Sullivan Deeps Project	78,323	13,642	91,965	-
	<u>\$ 156,215</u>	<u>\$ 811,414</u>	<u>\$ 967,629</u>	<u>\$ -</u>

- a) By agreement dated December 18, 2002 and amended March 26 and April 1, 2003, the Company was granted an option to acquire a 70% interest in certain claims located in the Liard Mining Division, B.C., known as the William's Gold Property. In order to earn the interest the Company is required to complete the following:

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

4. Resource Property Costs - Continued

4a - continued

	Cash Payments	Share Issuances	Exploration Expenditures
Upon signing of the agreement (paid)	\$ 10,000	-	\$ -
On or before December 31, 2002 (completed)	-	-	125,000
On or before May 1, 2003 (paid)	25,000	-	-
On or before 15 days after Listing (issued)	-	100,000	-
On or before December 31, 2003 (completed)	-	-	300,000
On or before May 1, 2004	40,000	-	-
On or before June 15, 2004	-	50,000	-
On or before December 31, 2004	-	-	350,000
On or before June 15, 2005	50,000 *	-	-
On or before December 31, 2005	-	-	725,000
On or before June 15, 2006	50,000 *	-	-
	<u>\$ 175,000</u>	<u>150,000</u>	<u>\$ 1,500,000</u>

* At the election of the Company, this payment may be made by the issue of shares having an aggregate market value of \$50,000.

Upon completion of the above requirements, the Company will earn a 70% interest in the property. This interest is subject to an ongoing minimum annual expenditure requirement of property expenditures of \$500,000 or a cash payment of \$50,000 in lieu until such time as a feasibility report has been prepared and approved by the Company and the optionor at which time a joint venture will be formed with the Optionor. The Company may earn an additional 5% interest in the property (for a total of 75%) by arranging financing for the optionor's share of the development costs. The Property is subject to a 2.5% Net Smelter Return ("NSR") royalty, of which 1.5% may be purchased by the joint venture for \$2,000,000.

- b) By assignment agreement dated October 2, 2003, the Company acquired, the right to earn, from Teck Cominco Metals Ltd. ("Teck Cominco", a subsidiary of Teck Cominco Limited), a 50% interest in certain properties located near Kimberley, British Columbia, known as Sullivan Deeps Project. As consideration for the assignment of the option, the Company reimbursed Mariner Ventures Corporation, a related company, for \$53,394 in costs and was later credited with a refund \$2,251, for net acquisition costs of \$51,143. To earn its 50% interest in the property, the Company must issue 100,000 shares to Teck Cominco (issued) and incur \$1.5 million in exploration expenditures on or before January 31, 2005 and \$4 million in cumulative exploration expenditures on or before August 1, 2007, as summarized below:

	Share Issuances	Exploration Expenditures
Upon exchange approval (issued)	100,000	\$ -
On or before January 31, 2005	-	1,500,000
On or before August 31, 2007	-	2,500,000
	<u>100,000</u>	<u>\$ 4,000,000</u>

Upon completion of this earn-in stage, Teck Cominco will have 90 days to elect to become operator and form a joint venture with Stikine, or Stikine will have the right to earn an additional 20% interest by funding a further \$4 million in exploration expenditures. Teck Cominco will then have the right to participate at the 30% level or to convert to a 1.5% NSR, reducible to 1% upon payment of \$2.5 million by Stikine.

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

5. Capital Assets

Details are as follows:

	Cost	Accumulated Amortization	Net Book Value November 30, 2003	Net Book Value February 28, 2003
Computer equipment	\$ 6,200	\$ 1,282	\$ 4,918	\$ 2,837

6. Share Capital

a) Details are as follows:

	Number	Amount
Authorized:		
100,000,000 common shares without par value		
Issued and fully paid:		
Seed capital	4,000,001	\$ 40,001
Common Shares	1,005,000	100,500
Flow-through Common Shares	1,382,516	209,877
Share issuance costs	-	(12,543)
Balance at February 28, 2003	6,387,517	\$ 337,835
Issued and fully paid		
Flow-through common shares	1,489,800	\$ 521,430
Common shares	2,336,500	584,125
Issued for services provided		
Common shares	100,000	25,000
Issued for property		
Common shares	100,000	28,000
Common shares	100,000	17,000
Share issuance costs	-	(239,173)
Balance as at November 30, 2003	10,513,817	\$ 1,274,217

b) During the nine months ended November 30, 2003 the Company completed its initial public offering of 1,489,800 flow-through common shares at \$0.35 per share and 2,336,500 common shares at \$0.25 per share, thereby raising gross proceeds of \$1,105,555. The agent received a commission of 10% of the gross proceeds, a corporate finance fee of \$10,000, 100,000 common shares, and warrants ("Agent's Warrants") to purchase up to 382,630 common shares of the Company at a price of \$0.35 per share until July 31, 2004. The common shares of the Company began trading on the TSX Venture Exchange on July 31, 2003, under the trading symbol "SKY".

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

6. Share Capital - Continued

- c) During the nine-months ended November 30, 2003 the Company issued 100,000 shares at a deemed \$0.28 per share as per the terms of the William's Gold Property option agreement (Note 4a).
- d) During the nine-months ended November 30, 2003 the Company issued 100,000 shares at a deemed \$0.17 per share as per the terms of the Sullivan Deeps Project option agreement (Note 4b).
- e) Flow-through securities are securities issued by a company that incurs certain resource expenditures and renounces them for tax purposes thereby allowing the expenditures to flow-through to the subscriber who purchased the securities. Subscribers may in turn claim the expenditure as a deduction on their personal or corporate tax returns.

Funds raised by the Company through the sale of the Flow-through Special Warrants and Flow-Through Common Shares must be spent on qualified mineral exploration. Of the total proceeds of \$209,877 from the sale of Flow-through Special Warrants, \$169,567 was spent by the Company on qualifying expenditures up to February 28, 2003 and was renounced, for income tax purposes, to the flow-through investors with an effective date of renunciation of December 31, 2002. The difference of \$40,310 and the proceeds of \$521,430 from the sale of Flow-Through Common Shares has now been spent on qualifying expenditures and will be renounced to investors prior to March 1, 2004.

- f) The company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the board of directors. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant date. Options vest on the grant date unless determined otherwise by the board of directors.
- i) A summary of the company's options at November 30, 2003 and the changes for the nine-month period are as follows:

Number Outstanding February 28, 2003	Granted	Exercised	Cancelled	Expired	Number Outstanding November 30 2003	Exercise Price Per Share	Expiry Date
-	725,000	-	90,000	-	635,000	\$0.35	July 31, 2008
-	250,000	-	-	-	250,000	\$0.35	July 31, 2008
-	150,000	-	-	-	150,000	\$0.35	August 25, 2008
-	1,125,000	-	90,000	-	1,035,000		

During nine-month period ended November 30, 2003, the company granted 725,000 incentive stock options to directors and officers of the company and 250,000 incentive stock options to consultants of the company to purchase common shares at \$0.35 per share and expiring on July 31, 2008. 90,000 options were later cancelled by continuing directors and 150,000 options were granted to an outside consultant at an exercise price of \$0.35 per share expiring August 25, 2008.

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

6. Share Capital - Continued

Compensation expense is based on the fair value (based on Black-Scholes option pricing model) of the options of the grant date.

- ii) The fair value of stock options used to calculate compensation expense for both employees and non-employees is estimated using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

Average risk-free interest rate	3.9%
Expected dividend yield	Nil
Expected stock price volatility	54.0%
Average expected option life in years	years

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the company's stock options.

- iii) For non-employees, option grants result in non-cash compensation expenses of \$7,687, which amount has been recorded in consulting fees for the three-months ended May 31, 2003 and \$17,646 which amount has been recorded in consulting fees for the three-months ended August 31, 2003. There were no option grants during the third quarter-ended November 30, 2003 (a total of 25,333 for the nine months ended November 30, 2003). The offsetting entries are to contributed surplus.

- iv) The pro forma effect on net loss and loss per share for the nine-month period ended November 30, 2003 of the actual results had the company accounted for the stock options granted to directors and employees using the fair value method is as follows:

Net loss for the nine-months ended November 30, 2003		
Reported	\$	189,731
Pro forma	\$	212,022
Basic and diluted loss per share		
Reported	\$	0.02
Pro forma	\$	0.03

7. Related Party Transactions

During the nine-month period ended November 30, 2003 consulting fees of \$29,000 (2002 – \$NIL) were paid or accrued to the President and CEO and consulting fees of \$25,900 (2002 – \$NIL) were paid or accrued to the CFO and Secretary.

During the nine-month period ended November 30, 2003 per-diem geological fees of \$29,400 (2002 – \$NIL) were paid or accrued to a company controlled by a director.

During the nine-month period ended November 30, 2003 rent costs of \$4,500 (2002 – \$NIL) were paid or accrued to a company with a director in common.

Stikine Gold Corporation

(A Development Stage Company)

Notes to Financial Statements

November 30, 2003

Unaudited

Canadian Funds

8. Income Taxes

The Company has incurred certain mineral property related expenditures of approximately \$2,000, which may be carried forward indefinitely and are available to offset future taxable income.

The Company has non-capital losses for tax purposes of approximately \$47,000, which are available to offset future taxable income. These losses may be carried forward and expire in 2009.

The potential future tax benefits of these expenditures and tax losses have not been recognized in these financial statements.

9. Subsequent Events

Subsequent to November 30, 2003, the Company completed a private placement of 10,000,000 units at a price of \$0.20 per unit raising gross proceeds of \$2 million. Each unit consisted of one common share and one warrant entitling the holder to acquire an additional common share at a price of \$0.25 per share until July 26, 2005. Finder's fees totalling \$167,405.20 were paid and 349,350 warrants issued (with the same terms as those issued to subscribers) in connection with this financing.
