Nuinsco
RESOURCES LIMITED

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)

	March 31, 2003 (unaudited)	December 31, 2002
ASSETS		
Current		
Cash	**$ 219**	$ 100
Accounts receivable	**21**	7
Prepaid expenses	**10**	17
Total current assets	**250**	124
Cash for Exploration Expenditures	**-**	277
Exploration and Development Projects (note 2)	**17,219**	16,296
Other Assets	**143**	145
	$ 17,612	$ 16,842
LIABILITIES AND SHAREHOLDERS' EQUITY		
Total current liabilities		
Accounts payable and accrued liabilities	**$ 888**	$ 631
Demand loans (Note 3)	**400**	
	1,288	
Long-term		
Convertible notes	**200**	200
Deposits (note 4)	**240**	
	1,728	831
Shareholders' Equity		
Share capital	**55,146**	55,146
Stock option compensation	**95**	31
Contributed surplus	**759**	759
Deficit	**(40,116)**	(39,925)
Net shareholders' equity	**15,884**	16,011
	$ 17,612	$ 16,842

GOING CONCERN (NOTE 1(b))

Approved by the Board

H. Douglas Hume, Director

Rene R. Galipeau, Director

NUINSCO RESOURCES LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited - in thousands of dollars)

	Three Months Ended March 31	
Cash from (used by)	**2003**	2002
Operating activities		
Net loss for the period	**$ (191)**	$ (114)
Items not affecting cash		
Depreciation	**2**	3
Stock option compensation	**64**	-
	(125)	(111)
Changes in non-cash working capital	**25**	29
Cash used by operating activities	**(100)**	(82)
Financing Activities		
Demand loans	**400**	-
Deposits	**240**	-
	640	-
Investing activities		
Cash for exploration expenditures	**277**	116
Additions to exploration and development projects	**(698)**	(128)
Cash used by investing activities	**(421)**	(12)
Net increase(decrease) in cash during the period	**119**	(94)
Cash, beginning of period	**100**	114
Cash, end of period	**$ 219**	$ 20

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

(unaudited - in thousands of dollars, except per share amounts)

	Three Months Ended March 31	
	2003	2002
Revenue		
Interest income	**$ -**	$ 3
Costs and Expenses		
General and administrative	**125**	114
Depreciation	**2**	3
Stock option compensation	**64**	-
	191	117
Net loss for period	**191**	114
Deficit, beginning of period	**39,925**	37,797
Deficit, end of period	**$ 40,116**	$ 37,911
Loss – basic and fully diluted	**$0.003**	$0.002
Weighted average shares outstanding	**60,029,323**	54,266,740

NUINSCO RESOURCES LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2003 (unaudited)

1. a) General

The consolidated interim financial statements of the Company are prepared by management using accounting principles generally accepted in Canada for interim financial statements and reflect the accounting principles set out in the notes to the Company's consolidated financial statements as at December 31, 2002, appearing in the Company's 2002 Annual Report. These interim financial statements should be read in conjunction with those annual financial statements and the notes thereto. The results of operations and cash flow for the current periods are not necessarily indicative of the results to be expected for the full year.

b) Going Concern

These consolidated financial statements have been prepared using accounting principles applicable to a going concern entity, which assume that the entity will continue operating in the future and be able to realize its assets and discharge its liabilities in the normal course of its business. The Company's exploration and development projects are in their early stages and, consequently, the Company, having no operating revenues to sustain its activities, has been wholly dependent on equity financings and the optioning of resource properties for its funds.

Several adverse conditions cast substantial doubt on the validity of the Company's application of the going concern principle. The conditions include ongoing losses and property write-downs, working capital deficiencies and insufficient cash reserves to meet the Company's minimum commitments. Therefore, the Company's ability to continue its operations, its planned development activities, and maintain its interest in its projects, is dependent upon the satisfactory completion of a financing or optioning or sale of property interests to provide the required funds. Should the company not be able to obtain the necessary financing and should the Company not be able to continue as a going concern, then adjustments would be required with respect to the carrying value of the Company's assets and liabilities, reported net loss, and the balance sheet classifications used.

2. Exploration and Development Projects

Project	March 31, 2003	December 31, 2002
	(in thousands)	
Rainy River	$ 11,835	$ 11,789
Lac Rocher	2,714	2,712
Mel Properties	2,328	1,487
Prairie Lake	158	143
Other	184	165
	$ 17,219	$ 16,296

3. Demand Loans

During the period, the Company received a total of $400,000 from two directors of the Company in the form of demand loans bearing interest at 12% per annum.

4. Deposits

During the period, the Company received $240,000 as advances towards a flow-through financing which closed subsequent to the end of the period. The financing consisted of the issuance of 596,512 units of one share and half a warrant exercisable at $0.60 for each whole warrant for 12 months from date of issue.

5. Share Capital

a) During the period, 1,250,000 stock options were granted under the stock option plan. The options were granted for an term of five years at a price of $0.25 each. The fair value of the 1,250,000 options granted to an officer and directors has been estimated on the date of the grant at $63,750 using the Black-Scholes option pricing method, using the following assumptions:

	2003	2002
Dividend yield	-	-
Expected volatility	20.48%	-
Risk free interest rate	4.5%	-
Expected option term-years	3	-
Fair value per share of options granted	$0.051	-

b) At April 20, 2003, the issued and outstanding common shares of the Company totalled 60,625,835 and on a fully diluted basis there would be 67,742,373 common shares outstanding.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Three Months Ended March 31, 2003

This MD&A reflects the three-month period ended March 31, 2003 and should be read in conjunction with the MD&A included in the 2002 Annual Report.

RESULTS OF OPERATIONS

During the three months ended March 31, 2003, the Company incurred losses of $191,000 compared to losses of $117,000 in the same period of 2002. General and administrative expenses were higher in the current period as there was increased activity by both the Chairman and new President in securing financing for the current exploration programs, mainly the Mel properties, and for working capital purposes. In addition, the Company recorded an expense of $64,000 for the fair value of options granted to the new President as an officer and a director and for another new director. No such expense was incurred in the same period of 2002.

LIQUIDITY AND CAPITAL RESOURCES

Cash increased during the period by $119,000 to $219,000 as funds were advanced through demand loans. Current liabilities increased from $631,000 at December 31, 2002 to $1,288,000. Current liabilities increased as two directors of the Company advanced a total of $400,000 on a demand loan basis bearing interest at 12% per annum. These funds, along with the cash available from the flow-through financing in December 2002 and the deposits on a new financing for flow-through shares were used to fund the exploration ongoing with INCO on the Mel Properties. The Company's working capital deficiency and commitments for the Mel exploration remain major concerns for the Company to continue and maintain its interest in the Mel and other properties. Management is working diligently to resolve these problems.

OUTLOOK

As explained in the 2002 Annual Report, Management is attempting to secure a major equity financing to enable it to carry out its proposed exploration projects, clear up outstanding accounts payable and provide funding for ongoing corporate and administrative costs. It will also be considering further flow-through financing later in the year for some exploration activities. While there is no certainty these actions will be successful, management and the board of directors believe that a financing can be undertaken and are continuing to support the Company in the meantime as is evidenced by the demand loan advances.