
MANO RIVER RESOURCES INC.

Consolidated Interim Financial Statements
For The Three Months Ended April 30, 2005
(Stated in U.S. Dollars)

(Unaudited)

MANO RIVER RESOURCES INC.

Consolidated Balance Sheets

(Prepared by Management without audit)

(Stated in U.S. Dollars)

	Three months ended April 30, 2005 \$ (unaudited)	Year ended January 31, 2005 \$ (audited)
ASSETS		
Current		
Cash and cash equivalents	7,222,922	1,375,639
Accounts receivable	83,985	63,328
Due from joint venture partners (Note 3)	167,973	171,432
	7,474,880	1,610,399
Investments (Note 4)	218,586	218,586
Resource properties (Note 5)	3,955,000	3,955,000
Deferred exploration costs	11,610,660	10,656,216
	23,259,126	16,440,201
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	34,223	15,283
Due to related parties (Note 7)	256,614	553,434
	290,837	568,717
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	28,643,487	21,461,793
Subscriptions	-	894
Contributed surplus	803,272	803,272
Cumulative translation difference	(21,755)	(21,755)
Deficit	(6,456,715)	(6,372,720)
	22,968,289	15,871,484
	23,259,126	16,440,201

APPROVED BY THE DIRECTORS:

"TOM G. ELDER" (Signed)

Director

"GUY E. PAS" (Signed)

Director

MANO RIVER RESOURCES INC.

Consolidated Statements of Loss

(Prepared by Management without audit)

(Stated in U.S. Dollars)

	Three months ended April 30, 2005 \$ (unaudited)	Three months ended April 30, 2004 \$ (unaudited)
Revenue		
Interest income	778	20,381
Expenses		
Administrative and office expenses	1,176	1,882
Bank and interest charges	138	16,961
Directors fees	16,500	2,500
Foreign exchange loss (gain)	(88,958)	(95,384)
Management fees	28,500	22,500
Mine maintenance expenses	3,000	9,170
Professional fees	90,911	59,621
Stock-based compensation	-	444,891
Transfer agent and regulatory fees	33,506	6,539
	84,773	468,680
Loss for the period	(83,995)	(448,299)
Loss per share	(0.000)	(0.002)

MANO RIVER RESOURCES INC.

Consolidated Statements of Deficit

(Prepared by Management without audit)

(Stated in U.S. Dollars)

	Three months ended April 30, 2005 \$ (unaudited)	Year ended January 31, 2005 \$ (audited)
Deficit, Beginning of year	(6,372,720)	(5,483,356)
Loss for the Period	(83,995)	(889,364)
Deficit, End of Period	(6,456,715)	(6,372,720)

MANO RIVER RESOURCES INC.
Consolidated Statements of Cash Flows
(Prepared by Management without audit)
(Stated in U.S. Dollars)

	Three months ended April 30, 2005 \$ (unaudited)	Three months ended April 30, 2004 \$ (unaudited)
Operating Activities		
Loss for the period	(83,995)	(448,299)
Items not involving cash:		
Stock-based compensation	-	444,891
Accretion of liability portion of convertible debenture	-	12,255
Changes in non-cash working capital accounts		
Due from joint venture partners	3,459	(313,714)
Accounts receivable and prepaid expenses	(20,657)	(12,261)
Accounts payable	18,940	(50,553)
	(82,253)	(367,681)
Financing Activities		
Issuance of share capital (net of costs)	7,180,800	33,650
Due to related parties	(296,820)	689
	6,883,980	34,339
Investing Activities		
Resource properties -		
Deferred exploration expenditures	(954,444)	(234,491)
	(954,444)	(234,491)
Increase (Decrease) In Cash	5,847,283	(567,833)
Cash, Beginning of Period	1,375,639	3,893,552
Cash, End of Period	7,222,922	3,325,719

Supplemental disclosure of non-cash financing and investing activities

During the quarter ended April 30, 2005, the Company issued 12,500 common shares for share subscription of \$894 related to exercise of share purchase warrants.

During the quarter ended April 30, 2004, the Company issued 2,786,200 common shares on the conversion of a convertible debenture of \$200,000 due to a related party. In addition on conversion an equity component amount of \$96,000 was credited to share capital account.

MANO RIVER RESOURCES INC.

Consolidated Statements of Deferred Exploration Costs

(Prepared by Management without audit)

(Stated in U.S. Dollars)

	Three months ended April 30, 2005 \$ (unaudited)	Three months ended April 30, 2004 \$ (unaudited)
Deferred exploration expenditures		
Assays	10,282	20,549
Communications	21,883	12,578
Community relations	15,074	-
Consultants	13,330	14,160
Drilling	265,911	-
Geologists' support	24,796	-
Licenses and permit fees	55,768	24,640
Project/field office costs, incl. field equipment	197,120	40,603
Reconnaissance and geochemical	11,502	-
Recovered expenses	-	(22,531)
Salaries and wages	208,683	93,276
Subsistence	16,593	15,805
Transportation incl. vehicles	113,502	35,411
Net expenditures during the period	954,444	234,491
Balance, Beginning of period	10,656,216	8,640,584
Balance, End of period	11,610,660	8,875,075

MANO RIVER RESOURCES INC.
Notes to the Financial Statements
For The Three Months Ended April 30, 2005

(Prepared by Management without audit)

(Stated in U.S. Dollars)

1. NATURE OF OPERATIONS AND CONTINUING OPERATIONS

The Company is engaged in the acquisition, exploration and development of gold and diamond properties. The Company is in the development stage and has no source of cash flows other than loans from related parties or equity offerings.

These consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. The Company's ability to continue on a going concern basis depends on its ability to successfully raise additional financing. If the Company cannot obtain additional financing the Company may be forced to realize its assets at amounts significantly lower than the current carrying value.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles in Canada and reflect the following significant accounting policies. The United States dollar has been identified as the Company's currency of measurement and is used for external reporting purposes.

(a) Principles of consolidation

These financial statements include the accounts of Mano River Resources Inc. and its principal subsidiary, Mano River Resources Ltd. and its subsidiaries.

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, deposits in banks and highly liquid investments with an original maturity of ninety days or less.

(c) Investments

Investments are recorded at the lower of cost and net realizable value

(d) Stock-based compensation

The Company follows Canadian Institute of Chartered Accountants Handbook Section 3870: stock-based Compensation, which requires that all stock-based awards made to non-employees and employees be measured and recognized using a fair value based method. Accordingly, the fair value of options at the date of grant is accrued and charged as an expense to operations, with an offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Resource properties and deferred exploration costs

The Company follows the method of accounting for its mineral properties whereby all costs related to acquisition, exploration and development are capitalized by property.

(f) Loss per share

Loss per share is computed using the weighted average number of shares outstanding during the period.

3. DUE FROM JOINT VENTURE PARTNERS

During the three month period ended April 30, 2005, the Company incurred exploration expenditures on behalf of joint venture partners who are required to fund the exploration expenditures to earn their interest in a group of gold and diamond properties in Sierra Leone and Liberia. As at April 30, 2005, the amount of \$167,973 remained receivable from joint venture partners.

4. INVESTMENTS

	April 30, 2005	January 31, 2005
St. Andrew Goldfields Ltd.	\$ 34,496	\$ 34,496
Mifergui-Nimba	\$ 184,090	\$ 184,090
	<u>218,586</u>	<u>218,586</u>

The St. Andrew Goldfields Ltd. investment consists of 520,000 common shares with a quoted market value at April 30, 2005 of \$52,000 (January 31, 2004 -\$49,400)

The Mifergui-Nimba investment consists of 8,654 shares in a Guinean company that holds a mining license over a Guinean resource property. The investment is held at its cost of \$184,090.

5. RESOURCE PROPERTIES

	April 30, 2005	January 31, 2005
Acquisition costs		
Liberia, West Africa	\$ 320,000	\$ 320,000
Guinea, West Africa	1,940,000	1,940,000
Sierra Leone, West Africa	1,695,000	1,695,000
Closing balance	<u>\$ 3,955,000</u>	<u>\$ 3,955,000</u>

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Notes to the Financial Statements
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6. SHARE CAPITAL

(a) *Authorized* - Unlimited common shares without par value

(b) *Issued*

	Shares	Amounts
Balance at January 31, 2004	210,489,613	\$ 21,132,143
Shares issued on conversion of convertible debentures	2,786,200	296,000
Shares issued on exercise of stock options	130,000	33,650
Balance at January 31, 2005	213,405,813	21,461,793
Shares issued on private placement (net of costs)	40,000,000	7,180,800
Shares issued on exercise of warrants	12,500	894
Balance at April 30, 2005	253,418,313	28,643,487

(a) During the quarter ended April 30, 2005, the Company concluded a brokered private placement of 40,000,000 common shares at GBP0.10p each for gross proceeds of GBP4,000,000 (\$7,480,000). A commission of 4% (\$299,200) of the gross proceeds was paid to the broker on closing of the placement.

(b) During the quarter ended April 30, 2005, the Company issued 12,500 common shares on exercise of warrants. Cash proceeds of \$894 for exercise of warrants were received by the Company on January 31, 2005 and recorded as subscriptions under shareholders' equity.

(c) As at April 30, 2005, nil warrants and the following stock options were outstanding:

Number of Common Shares	Exercise price per share (Cdn\$)	Expiry date
990,000	\$ 0.22	May 1, 2006
845,000	\$ 0.10	February 21, 2007
5,000,000	\$ 0.11	March 21, 2007
905,000	\$ 0.10	August 14, 2008
2,770,000	\$ 0.24	March 23, 2009
10,510,000		

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7. RELATED PARTY TRANSACTIONS

During the three month period to date, the Company incurred billings of \$72,158 from related parties for management fees and professional services. All transactions with related parties have occurred in the normal course of operations. As at April 30, 2005, the amount due to related parties totals \$256,614. These balances have no fixed terms of repayment and have arisen from the accrued provision of services referred to above and reimbursable expenses.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities are cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, and due to related parties. The fair values of these financial instruments are estimated to approximate their carrying values due to their immediate or short-term nature except for investments whose fair value is described in Note 4. Due to the nature of the Company's operations, there is no significant credit or interest rate risk. As at April 30, 2005, the Company held approximately \$6,879,621 cash in bank accounts denominated in U.K. currency. The Company has taken no action to reduce its exposure to foreign currency risk.