

MOSS LAKE GOLD MINES LTD.

Interim report for the three months ended March 31, 2001

During the first quarter of 2001, the Company completed fieldwork consisting of magnetic and electromagnetic geophysical surveys over the Fountain Lake property. This work, in conjunction with mapping and prospecting to be completed this summer, will help define priority targets for future drill testing. The property is prospective for both gold and base metal deposits.

Management's Discussion and Analysis

Results of Operations

The Company recorded a net loss of \$16,493 to March 31, 2001, compared to a loss of \$10,790 during the first quarter of 2000. The Company advanced its exploration work and, as outlined in the 2000 Annual Report, has written down the carrying value of its properties by \$6,969,752 due to the prolonged depressed gold price.

Liquidity and Capital Resources

Work is being funded by cash advances from majority shareholder River Gold Mines Ltd. At March 31, 2001, the Company had cash of \$466, compared to \$150,619 at December 31, 2000. We have a working capital deficit of \$69,326 compared to working capital of \$98,439 at December 31, 2000, and owe River Gold \$146,141 compared to \$224,719 at year end 2000. With very difficult market conditions to raise equity for gold exploration, we are fortunate to be able to draw on the resources of our major shareholder.

We are hopeful that ongoing exploration will result in sufficiently encouraging results to be able to raise funds to further advance development of our properties. Moss Lake Gold Mines Ltd. trades on the Canadian Venture Exchange under the symbol "MOK" and has 31.2 million shares outstanding.

On behalf of the Board,

George N. Mannard
President
May 28, 2001

Moss Lake Gold Mines Ltd.

Balance Sheets

(Unaudited)

	March 31 2001 \$	December 31 2000 \$
ASSETS		
Current		
Cash	466	150,619
Receivables	<u>6,690</u>	<u>12,377</u>
	7,156	162,996
Office equipment	-	712
Exploration properties	<u>573,406</u>	<u>500,000</u>
	<u><u>580,562</u></u>	<u><u>663,708</u></u>
LIABILITIES		
Current		
Payables and accruals	<u>222,623</u>	<u>289,276</u>
SHAREHOLDERS' EQUITY		
Capital stock	7,790,386	7,790,386
Deficit	<u>(7,432,447)</u>	<u>(7,415,954)</u>
	<u>357,939</u>	<u>374,432</u>
	<u><u>580,562</u></u>	<u><u>663,708</u></u>

Note: Outstanding share information at March 31, 2001: 31,166,667 common shares

Statements of Operations and Deficit

Three months ended March 31

(Unaudited)

	2001 \$	2000 \$
Interest income	<u>226</u>	<u>1,026</u>
Costs and expenses		
Corporate and general	12,007	11,641
Large corporation tax	4,000	-
Depreciation	<u>712</u>	<u>175</u>
	<u>16,719</u>	<u>11,816</u>
Net loss	16,493	10,790
Deficit, beginning of period	<u>7,415,954</u>	<u>348,855</u>
Deficit, end of period	<u><u>7,432,447</u></u>	<u><u>359,645</u></u>
Net loss per common share	\$0.00	\$0.00

Note: Net loss per common share is based on a weighted average number of shares outstanding of 31,166,667 for 2001 and 2000

Statements of Cash Flows

Three months ended March 31

(Unaudited)

	2001 \$	2000 \$
Increase (decrease) in cash		
Operating activities		
Net loss	(16,493)	(10,790)
Minority interest	712	175
Change in receivables and payables	<u>(60,966)</u>	<u>(20,925)</u>
	<u>(76,747)</u>	<u>(31,540)</u>
Investing activities		
Exploration properties	<u>(73,406)</u>	<u>(37,045)</u>
Net decrease in cash	(150,153)	(68,585)
Cash, beginning of period	<u>150,619</u>	<u>153,437</u>
Cash, end of period	<u><u>466</u></u>	<u><u>84,852</u></u>