

FORM 51-901F

QUARTERLY REPORT

Incorporated as part of: Schedule A
 X Schedules B & C

ISSUER DETAILS:

Name of Issuer **EXPATRIATE RESOURCES LTD.**

Issuer Address **#701 - 475 Howe Street, Vancouver, B.C. V6C 2B3**

Issuer Telephone Number **(604) 682-5474**

Contact Person **Harlan D. Meade**

Contact Position **President and Chief Executive Officer**

Contact Email Address **info@expatriateresources.com**

Web Site Address **www.expatriateresources.com**

Contact Person **Harlan D. Meade**

Contact Telephone Number **(604) 682-5474**

For Quarter Ended **June 30, 2003**

Date of Report (yy/mm/dd) **03/08/26**

CERTIFICATE

The schedule(s) required to complete this quarterly report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this quarterly report will be provided to any shareholder who requests it. Please note this form is incorporated as part of both the required filing of Schedule A and Schedules B & C.

 “Harlan D. Meade” **03/08/26**
NAME OF DIRECTOR DATE SIGNED (YY/MM/DD)

 “Robert G. Yeoman” **03/08/26**
NAME OF DIRECTOR DATE SIGNED (YY/MM/DD)

EXPATRIATE RESOURCES LTD.

Quarterly Report

June 30, 2003

SCHEDULE B: SUPPLEMENTARY INFORMATION1. *Analysis of expenses and deferred costs:*

Deferred exploration and development expenditures: Refer to Schedule A.

2. *Related party transactions:*

Refer to note 3 in Schedule A.

3. *Summary of securities issued and options granted during the period:*

a) Summary of securities issued during the period:

<u>Date of Issue</u>	<u>Type of Issue</u>	<u>Number of Shares</u>	<u>Price per Share</u>	<u>Gross Proceeds</u>
			\$	\$
1/27/03	Private placement	2,800,000	0.10	280,000
2/27/03	Private placement	1,400,000	0.10	140,000
5/1/03	Warrants exercised	125,000	0.12	15,000
5/5/03	Warrants exercised	25,000	0.12	3,000
6/13/03	Warrants exercised	100,000	0.12	12,000
6/18/03	Warrants exercised	50,000	0.12	3,000
6/27/03	Warrants exercised	75,000	0.12	9,000
6/30/03	Warrants exercised	100,000	0.12	12,000
		<u>4,675,000</u>		<u>474,000</u>

b) Summary of stock options granted during the period:

<u>Grant Date</u>	<u>Granted to</u>	<u>Number of Shares</u>	<u>Option Price</u>	<u>Expiry Date</u>
			\$	
4/01/03	Jason Dunning	500,000	0.11	4/01/08
4/01/03	Bev Jang	100,000	0.11	4/01/08
4/01/03	Bart Jaworski	80,000	0.11	4/01/08
		<u>680,000</u>		

*Note: Bart Jaworski option cancelled in June 2003.

4. *Summary of securities as at June 30, 2003:*

a) Authorized capital: 200,000,000 common shares without par value
100,000,000 Class "A" preferred shares having a par value of \$1.00 per share

Issued and outstanding: 54,701,128 common shares

b) Summary of stock options, warrants and convertible securities outstanding:

Refer to note 4 in Schedule A.

c) Shares in escrow: Nil
Shares subject to pooling: Nil

5. *Directors and officers:*

Directors: James I. Jack
Harlan D. Meade
Robert McKnight
Walter Segsworth
Robert G. Yeoman

Officers: Harlan D. Meade, President
Glenn Yeadon, Secretary
Jason Dunning, Vice-President of Exploration
Robert Yeoman, Chief Financial Officer

EXPATRIATE RESOURCES LTD.
June 30, 2003

Events During the Quarter Ended June 30, 2003

Description of Business

Expatriate is in the business of exploration and development of mineral deposits in Canada, the United States and South America. Expatriate, through its subsidiary Nitrosyl Technologies Corporation, also has interests in metal leaching and sulphur technologies that may provide strategic benefit to the development of its mineral properties. Expatriate has also formed subsidiary StrataGold Corporation.

StrataGold Corporation

In July 2002, Expatriate indicated to shareholders and investors that it intended to form a new public company to advance exploration of its gold properties (see July 9, 2002 news release). StrataGold Corporation was incorporated under the BC Companies Act on August 21, 2002. Expatriate has actively increased its mineral claim holdings and interest in its gold properties through a series of acquisition agreements (see Discussion of Operations). On January 17, 2003, Expatriate sold all its interest in the Hyland, Aurex, Lynx, Eureka Joint Venture properties, Watabeag, and Russell Creek gold properties and its Canalask and Donjek platinum group metals properties to its subsidiary StrataGold for 8 million special warrants (see Corporate Activities). In conjunction with taking StrataGold public, it has entered into numerous private financings aggregating proceeds of \$1,306,140 (see Corporate Activities and Subsequent Events).

DISCUSSION OF OPERATIONS

Much of management's time during the quarter was spent advancing the formation of StrataGold Corporation, the new gold company being formed by Expatriate to focus exploration on its gold assets. In particular, the Company prepared and distributed an information circular describing the planned separation of the gold assets held by its subsidiary StrataGold Corporation by means of a plan of arrangement, from the core base-precious metals assets of Expatriate. The extraordinary and general shareholders meeting for consideration of the plan of arrangement was set for July 9, 2003 (see subsequent events).

StrataGold and its joint venture partner Northgate Exploration Ltd. commenced the drilling program on its wholly owned Hyland property in mid-June. A small amount of generative exploration work was also conducted during the second quarter in the Mayo Gold District and Expatriate made preparation for geophysical surveys on the Box claims.

Finlayson Project, Yukon

Expatriate continues to evaluate exploration and development opportunities for its properties in the Finlayson District of the Yukon. In conjunction with this activity, Expatriate acquired a 60% joint venture interest in the Logan property in southern Yukon (see Subsequent Events) with the intent to study the combined development of Logan with the Wolverine deposit.

Wolverine Joint Venture

Expatriate has proposed a 2003 exploration property maintenance program of \$18,700. Atna has elected not to participate in the program and will undergo modest dilution.

Logan Acquisition

Expatriate entered into an agreement to purchase a 60% joint venture interest in the Logan property from Energold Minerals Inc. (see April 22, 2003 news release). Expatriate purchased the property for a purchase price of \$500,000 and an additional \$500,000 payment on commencement of commercial production. The purchase consists of an initial payment of \$50,000 and three payments of \$50,000 on the 4, 12 and 18 month anniversaries of the closing of the purchase, and the issuance of common shares of Expatriate having a value of \$300,000. The number of shares to be issued shall be determined by the weighted average closing price of Expatriate in the 10 days prior to the Closing of the purchase agreement. Almaden Minerals Ltd. holds a 40% carried interest through feasibility study and production decision (see Subsequent Events). Completion of the acquisition is subject to regulatory acceptance. A new formal Logan Joint Venture agreement is in progress.

Approximately \$4.5 million was spent by Getty Resources Limited and Total Energold Corporation exploring the Logan property in the period 1982 through 1989. A total of 103 diamond drill holes have been completed, defining a mineral resource of 12,300,000 tonnes grading 6.17% zinc and 26.4 g/tonne silver. The resource was calculated by Stammers, 1989, and until re-estimation of resources can be made using the criteria of National Instrument 43-101, the resources should be considered as in the Inferred Resource category.

Expatriate intends to evaluate the joint development of Logan as an open pit mine at 3000 to 4000 tonnes per day with an adjoining flotation mill facility combined with an underground mine at Wolverine. Preliminary modelling by Expatriate of the joint development of Logan and Wolverine based on the previous prefeasibility studies suggests that the combination could provide an attractive development plan. The preliminary modelling suggests that the combined Logan-Wolverine development would have initial production of about 220,000 tonnes of zinc concentrate annually, and copper and lead concentrates containing approximately 5 million ounces silver and 18,000 ounces gold.

Together the Logan and Wolverine deposits contain approximately 3.4 billion pounds of zinc, 183 million pounds copper, 213 million pounds lead, 85 million ounces silver and 350,000 ounces of gold.

Finlayson Emerald Joint Venture

The Company announced November 14, 2002, that it has entered into an agreement with YK Group whereby YK Group may acquire a 60% interest in exploration and development of the gemstone potential of Expatriate's extensive claim holdings in the Finlayson District (see Subsequent Events).

The option and joint venture agreement with YK Group covers two property groups; the smaller Light and the larger Finlayson Property. As exploration advances, the gemstone exploration rights on the Finlayson Property will be reduced to 500 claims on the third anniversary and to 200 claims on the fifth anniversary. The Company continues to retain 100

percent of the base, precious and ferro-alloy metals rights on all claims subject to the agreement.

The YK Group can earn a 60% interest in the two properties by making aggregate expenditures of \$500,000 over five years after which the parties will enter into a joint venture to continue exploration and development of the gemstone potential. Should Expatriate's interest be diluted below 15 percent it shall forfeit its participating interest and receive a three percent gross revenue royalty on gemstone production from the Expatriate properties. The claims are also subject to a five kilometre area of influence within which new claims acquired by the parties shall be subject to the terms of the option and joint venture agreement. Expatriate shall also have a one (1) percent gross revenue royalty on gemstones from claims acquired by YK Group within the area of interest of the Expatriate claims.

YK Group shall also make aggregate cash payments to Expatriate of \$50,000 on the Light property and \$30,000 on the Finlayson Property. The initial aggregate cash payment of \$10,000 has been received. In addition, Expatriate shall receive 150,000 common shares in a public company to be established by the YK Group.

The Company in conjunction with YK group staked 166 claims in 7 parcels during November 2002. The claims were staked to cover favourable geology with the potential to hold emerald mineralisation. The claims are part of the Finlayson and Light property groups and subject to the agreement with the YK Group.

Donjek Property

Midnight Mines Ltd. is exploring the Donjek nickel-copper-gold-platinum group metals property located in southwest Yukon under an option agreement (see October 31, 2002 news release). The Donjek property consists of Don, Wolv and Klux claims located in the Donjek River area of the central segment of the 160 kilometre long Kluane Mafic Ultramafic Belt.

Blue Moon Property, California

Expatriate completed the purchase of all of the shares of Westmin Resources, Inc. on October 25, 2002 and issued 3,000,000 common shares to Boliden Westmin (Canada) Limited and granted it a 0.5% Net Smelter Return royalty capped at US\$500,000. Westmin Resources, Inc. has been renamed Keystone Mines Inc. (an Idaho corporation) and holds a 100% interest in the Blue Moon property subject to certain royalty interests (see May 9, 2002 and October 28, 2002 news releases).

The Blue Moon property is located 35 kilometres east of Merced in Mariposa County, California, and hosts the high-grade Blue Moon zinc-copper-lead-silver-gold massive sulphide deposit and extensions of the favourable stratigraphy. Previous mining by Hecla Mining Company during 1943-1945 reportedly produced 55,656 tons grading 12.3% zinc, 0.36% copper, 0.48% lead, 3.75 oz/ton silver and 0.062 oz/ton gold. The project was actively explored by Colony Pacific Explorations Ltd. and Westmin Resources Limited in the period 1981-1988 with 56,853 feet of drilling completed in 62 drill holes. The drilling defined a geological reserve (Westmin, 1989 Annual Report) as summarized in the table:

Geological Reserves*	<u>Tonnes</u>	Zn %	Cu %	Pb %	Ag g/t	Au g/t
Probable	2,457,600	8.84	1.05	0.53	98.4	2.33
Possible	1,006,900	5.75	0.96	0.36	69.6	2.23
* Under National Policy 43.101 the Probable and Possible Reserves would be classified as Indicated and Inferred Mineral Resources, respectively.						

Blue Moon provides Expatriate an attractive small mine development opportunity that may be enhanced by discovery of additional ores as exploration is renewed. The location and excellent infrastructure provide opportunity for low capital and operating costs in development of the deposit. Expatriate plans to undertake a review of the data and resume exploration. It also plans to re-evaluate the production plan for the deposit and formulate a new plan for its development.

Minera Latina S.A.

Expatriate's wholly owned subsidiary, Compañía Minera Latina Limitada, granted BHP Chile Inc., a 100% owned subsidiary of BHP Billiton, an option to acquire a 60% interest in its Gabriela property in Northern Chile (see March 10, 2003 news release).

BHP Billiton can earn a 60% interest in the Gabriela property by making exploration expenditures of US\$2.5 million over five years and making cash payments to Expatriate totalling US\$40,000, as well as the reimbursement of property holding costs. Upon BHP Billiton vesting a 60% interest it may either form a 60:40 joint venture or elect to increase its interest to 70% by completing a detailed Pre-feasibility Study sufficient to allow the parties to make a decision to go to Bankable Feasibility Study. Should BHP Billiton elect to advance the project to a Bankable Feasibility Study it shall earn an additional 5% interest and the parties shall form a joint venture or joint operating company with BHP Billiton and Expatriate having a 75% and 25% participating interest respectively. Should a joint venture participant not participate and have its interest dilute below 10%, it shall forfeit its participating interest and receive a 1.5% Net Smelter Return royalty, which shall be subject to a purchase option of US\$1.5 million on the first 0.5% and US\$3.0 million on the second 0.5% reducing the royalty to 0.5% of Net Smelter Returns.

The Gabriela property consists of 37 square kilometres of mineral claims located 55 kilometres west of Codelco's large Chuquicamata copper mine and 70 kilometres north of BHP Billiton's Spence deposit. The property covers a large pediment covered area to the east of the Yuby claims that Expatriate acquired from Falconbridge Limited in March 2002 (see March 12, 2002 news release). Little is known about the Gabriela claims area, excepting that Rio Algom Limited drilled three very wide spaced reverse circulation holes on the property in 1998. Expatriate observed pyrite-sericite-chlorite alteration in drill cuttings from two of the holes, which could indicate alteration peripheral to a porphyry copper system.

BHP Chile Inc. completed three drill holes on the Gabriela property in May, 2003. Results of this drilling indicated only slightly anomalous concentrations of copper and gold. BHP Billiton has indicated its intent to terminate the option agreement. The three wide-spaced drill holes tested a large covered area and intersected only weakly altered and pyritic volcanic rocks.

Hyland Gold Joint Venture

On November 27, 2002, Expatriate entered into an agreement with Cash Minerals Ltd. (“Cash”) to acquire its 55% interest in the Hyland Gold Joint Venture. On January 27, 2003, Expatriate completed the acquisition payments of \$85,000 and granted Cash a 1.0% net smelter return interest, increasing Expatriate’s participating interest in the Hyland Gold Joint Venture to 86%.

On January 14, 2003, Expatriate on behalf of StrataGold entered into a purchase agreement with Strategic Metals Ltd. (“Strategic”) to acquire its 14% interest in the Hyland Gold Joint Venture. Expatriate acquired the 14% participating interest in the Hyland Gold Joint Venture by making a single payment of \$10,000 to Strategic and granting it a 0.25 percent Net Smelter Return royalty on production from the Hyland property. StrataGold has reimbursed Expatriate for the purchase payment.

With completion of the two acquisitions, Expatriate holds a direct 100% interest in the Hyland property through StrataGold and has extinguished the joint venture.

Northgate Option Agreement

On February 10, 2003, Expatriate’s subsidiary, StrataGold, entered into an option and joint venture agreement with Northgate Exploration Limited (“Northgate”) granting it the right to acquire an initial 51% joint venture interest in the Hyland gold property located in the Quartz Lake area in southeast Yukon (see February 10, 2003 news release).

Under the Initial Option, Northgate will earn a 51% interest in the Hyland property by making exploration expenditures of \$5,000,000 over four years, including a firm commitment to spend a minimum \$700,000 in the first year. In addition, Northgate shall make property payments totalling \$210,000 including an initial payment of \$85,000. Upon completing \$5,000,000 in exploration expenditures and making the cash payments, Northgate shall have an Additional Option to increase its interest to 60%. Northgate shall have 15 days to elect to earn an additional 9% interest by completing a bankable feasibility study and making all expenditures related thereto. Alternatively, upon completing the Initial Option Northgate may elect to form the joint venture holding an initial 51% participating interest and Expatriate holding a 49% participating interest. StrataGold will be the operator of exploration programs during the Initial Option, whereas Northgate will be the operator during the Additional Option.

The Hyland property is subject to a total of 1.25% Net Smelter Return royalty on the entire property and an additional 1.0% Net Smelter Return royalty on the core part of the property. The latter is capped at \$1,500,000. Should a party’s participating interest be diluted below 30%, or should it fail to participate in a feasibility study or mine development program it shall forfeit its participating interest and receive a 2.0% Net Smelter Return royalty.

The camp and drilling equipment was mobilized to the property during April on a winter road off of the Alaska Highway. Drilling of the large gold-arsenic-bismuth soil geochemical anomaly commenced in mid-June (see Subsequent Events).

Aurex Property

On January 14, 2003, Expatriate on behalf of StrataGold entered into an agreement with an individual to purchase a 100% interest in the Sun 1-12 claims located in the Mayo Mining District, Yukon Territory for a single payment of \$45,000. In addition, Expatriate staked 14 Moon fractional claims adjacent the Sun claims. StrataGold has reimbursed Expatriate for the purchase payment.

The Sun and Moon claims abut the large Aurex property on which Expatriate has developed numerous drill targets. This acquisition further consolidates StrataGold's land holdings in the area (see January 14, 2003 news release). A small amount of additional geochemical sampling was completed in early August.

CORPORATE ACTIVITIES

Annual and Extraordinary General Meeting

Expatriate held its Annual and Extraordinary General Meeting on June 18, 2003 at 10:00AM in the Strathcona Room of the Four Seasons Hotel, 791 West Georgia Street, Vancouver, British Columbia. The shareholders voted in favour of James Jack, Robert McKnight, Harlan Meade, Walter Segsworth, and Robert Yeoman as directors of the company; DeVisser Gray as auditors of the Company and amendment of the company's stock option plan from a defined number of shares to a 10 percent rolling plan. The latter provides for the Company to grant options for up to 10% of its issued shares under its Stock Option Plan at any time.

Expatriate Financing

The Yukon Mineral Exploration Tax Credit (YMETC) program remains in effect for 2003 as to 25% on eligible exploration expenditures in 2003. As of the end of the quarter, Expatriate has estimated the YMETC of \$142,257 recoverable as at June 30, 2003 as compared to \$37,005 as at June 30, 2002.

Expatriate sold the remaining 25,000 True North Gems warrants in April for proceeds of \$8359. Expatriate continues to hold 100,000 common shares of True North Gems and commenced the sale of these shares in the third quarter (see Subsequent Events).

Expatriate received \$57,000 from the exercise of warrants for 475,000 shares during the quarter (see subsequent events for additional warrant exercise).

Expatriate continues to seek opportunities for raising additional capital. In addition it will seek opportunities to farmout non-core properties to increase exploration leverage, reduce capital requirements for exploration, and generate modest option payment revenue (see Subsequent Events).

StrataGold Financing

As of June 30, 2003, StrataGold had entered into the following financing agreements:

- (i) Seed Capital Loan Agreement dated January 6, 2003 whereby Expatriate Resources Ltd. and its employees advanced \$125,000 to StrataGold Corporation under a convertible loan agreement. The loan bears interest of 4% per annum and the principal and interest is convertible at the note holders election into common shares of StrataGold at \$0.10 per share (see Related Party Transactions).
- (ii) An Investment Agreement dated January 23, 2003 was entered into between StrataGold and Ocean Resources Capital Holdings plc whereby StrataGold will issue 1,875,000 of its common shares in return for 607,287 common shares of Ocean (see January 24, 2003 news release). The StrataGold shares have a deemed value of \$750,000 or \$0.40 per share. The Ocean shares have a deemed value of £303,643 or £0.50/share (approximately CAD\$750,000). In addition, StrataGold issued Ocean 937,500 warrants to purchase StrataGold common shares. Each StrataGold warrant entitles the holder to purchase one additional common share of StrataGold for \$0.52/share for a period of two years from the commencement of trading of StrataGold shares. Ocean issued StrataGold 607,287 warrants to purchase additional Ocean common shares. StrataGold intends to hold the Ocean shares and warrants for investment purposes and to divest of them over time to provide additional working capital following the three-month voluntary pooling period after commencement of trading (see Subsequent Events).
- (iii) StrataGold announced on January 28, 2003 that it had completed a private placement with a single investor for 800,000 special warrants at \$0.45/special warrant for proceeds of \$360,000. Each special warrant is convertible on the earlier of commencement of trading of StrataGold or January 28, 2005 into one unit consisting of one common share and one-half non-transferrable common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of StrataGold at a price of \$0.75 for a period of two years (see January 28, 2003 news release).
- (iv) StrataGold announced March 7, 2003, that it had engaged Raymond James Ltd. and Loewen, Ondaatje, McCutcheon Limited to lead a best efforts public financing to raise a minimum \$3 million in flow-through and non flow-through shares (see March 7, 2003 news release).
- (v) StrataGold announced on March 27, 2003 that it has entered into a private placement agreement with Ocean Resources Capital Holdings PLC whereby Ocean will purchase 250,000 StrataGold units at a price of \$0.40 for proceeds of \$100,000. Each unit consists of one common share and one-half common share purchase warrant entitling the holder to purchase an additional share for \$0.75 for a period of two years. This private placement has not been completed (see Subsequent Events).

Related Party Transaction

On January 6, 2003, Expatriate entered into a loan agreement with StrataGold Corporation to lend it \$125,000 (the "Seed Capital Loan") for seed capital to advance the formation of StrataGold as a public company. The Seed Capital Loan bears interest of 4% calculated annually and is repayable by StrataGold upon 10 days notice from Expatriate. At Expatriate's option, the loan principal and interest may be converted into common shares of StrataGold at a

price of \$0.10 per common share.

The rights under the Seed Capital Loan agreement are assignable to management and employees of Expatriate. Expatriate has granted loans to certain of its employees (the "Employee Loans") to participate in the Seed Capital Loan. As of March 1, 2003, Expatriate had advanced \$50,000 to employees to participate in the Seed Capital Loan financing. Each loan to employees is subject to an Employee Loan Agreement. Expatriate has advanced the remaining \$75,000 to StrataGold under the Seed Capital Loan Agreement. The Employee Loans bear interest at 4% per annum and have a term of two years from the date of the Employee Loan Agreements. As of April 15, 2003 the employees of Expatriate had converted the principal and interest under the loans into common shares of StrataGold resulting in the issuance of 503,156 common shares of StrataGold to the Expatriate employees. Expatriate also converted its loan and interest and received 758,246 StrataGold common shares.

Employment Contracts

During the period, employment contracts were put in place for Mr. Harlan D. Meade, President and CEO and Mr. Terry Tucker, Vice President of Exploration, in the event of change of control of the Company. Under these contracts, the employees will receive two years salary and benefits, in the event that the terms of their employment should materially change following an event of 'change of control' of the Company.

Stock Options

In conjunction with the management announcements, stock options for 500,000 shares were granted to Mr. Jason Dunning and options totalling 180,000 shares were granted to two other employees. During the period, an option for 80,000 shares expired. With issuance of the new options, and expiry of options, the aggregate issued options under the Company's Stock Option Plan increased to 4,760,000.

On May 15, 2003, the board of directors of Expatriate adopted a new "rolling" stock option plan authorizing the granting of stock options to qualified optionees to purchase in the aggregate up to 10% of the issued capital of Expatriate on a rolling basis. The new rolling plan will include the 4,760,000 common shares reserved under the former plan for stock options granted prior to the adoption of the new plan.

The new plan, was approved by Expatriate shareholders at the June 18, 2003 Annual Extraordinary and General Meeting and has been accepted for filing by the TSX Venture Exchange. The new plan will bring Expatriate's plan up-to-date with the new policies of the TSX Venture Exchange for stock options and reduce administrative expense to Expatriate.

Management Changes

On March 31, 2003, Expatriate announced Mr. Terry Tucker, Vice President Exploration will resign to take up the presidency of StrataGold Corporation. In conjunction with this release Mr. Jason Dunning was appointed Vice President, Exploration for Expatriate (see news release March 31, 2003). Mr. Dunning commenced employment with Expatriate on April 17, 2003. Mr. Robert Duncan was appointed Vice President Exploration of StrataGold Corporation.

Investor Services

Expatriate continued to engage Mr. Lance Mayers of Gateway Communications of Osoyoos, British Columbia to provide investor services of communicating news releases and Company information to investors and potential investors. On March 31, 2003, Mr. Lance Mayers gave notice of his resignation effective April 30, 2003. During the second quarter of 2003, Gateway received \$2,000 for providing services and stocks options for the purchase of a total of 190,000 shares of the Company expired unexercised.

Expatriate has engaged Mr. Dan Koyich of JeanDan Management Ltd. of Calgary, Alberta to provide investor services to the Company. StrataGold Corporation has also entered into an agreement with Mr. Dan Koyich for the providing of investor relations services. The previous contract with Expatriate has been amended to reflect the equal division of services between the two companies.

Mr. Koyich received \$9,000 during the quarter for his services to Expatriate and received an additional \$9,000 during the same period for services to StrataGold. In addition he has stock options for the purchase of 300,000 common shares of Expatriate at a price of \$0.10 per share for a period of five years.

Company Capitalization

During the second quarter, Expatriate issued 475,000 common shares as a result of exercise of warrants at a price of \$0.12 per share. The issued capital of the Company as at June 30, 2003 is 54,701,128 shares. The Company has granted stock options for 4,760,000 shares and has 6,592,500 warrants outstanding, resulting in fully diluted share capital to 66,053,628 shares (see Subsequent Events).

Issued share capital of Expatriate increased to 54,701,128 common shares as at June 30, 2003 from the 54,226,128 shares as at March 31, 2003 and 46,245,461 shares as at June 30, 2002. The issued shares total does not include the 2,556,585 shares that the Company issued in July related to the April purchase of the Logan property in July (see Subsequent Events).

As at June 30, 2003, Expatriate had granted stock options for 4,760,000 shares and had 6,592,000 warrants issued, compared with 3,870,000 stock options and 5,032,500 warrants granted and issued as at June 30, 2002. On a fully diluted basis, Expatriate would have 66,053,628 shares outstanding at June 30, 2003 compared with 59,403,628 shares fully diluted as at December 31, 2002 and 55,147,961 shares fully diluted at June 30, 2002. See Subsequent Events for issuance of additional shares on exercise of warrants and issuance of shares related to purchase of the Logan property after June 30, 2003.

As at June 30, 2003, Expatriate's subsidiary StrataGold Corporation had 12,076,404 shares issued as follows:

- 2 shares on incorporation
- 8 million shares issued to Expatriate for its precious metals properties
- 1,875,000 shares to Ocean Resources Capital Holdings Ltd.
- 800,000 shares to a single private investor
- 758,246 shares to Expatriate pursuant to the seed capital loan
- 503,156 shares to Expatriate management pursuant to the seed capital loan

- 140,000 flow-through shares to five investors.

StrataGold has indicated that it intends to issue an additional 11 million shares related to additional private placement and brokered share financing (see Subsequent Events). StrataGold's articles of incorporation were amended by ordinary resolution dated January 24, 2003 to increase issued capital from 20 million common shares to 250 million common shares.

Liquidity and Solvency

At the end of the second quarter of 2003, Expatriate had current assets of \$1,368,018 consisting of \$321,519 of cash, \$73,320 of accounts receivable, \$826,583 of marketable securities (book value), \$142,257 of YMETC recoverable and \$4,339 of prepaid expenses. Current liabilities were \$210,171 consisting of \$208,504 in accounts payable and accrued liabilities, and \$1,667 of current obligation under capital lease. Expatriate has sufficient working capital to meet its short-term requirements (see subsequent events).

As at June 30, 2003, Expatriate had sufficient cash to meet its exploration expenditure (Canadian Exploration Expense) obligations to fulfill its then current flow-through share obligations for 2002 and 2003.

There is no assurance that Expatriate can reasonably sell its marketable securities as markets for all of the securities Expatriate wishes to sell may not be readily available. Similarly, market conditions remain difficult and raising additional capital to meet the needs of Expatriate over the long term remains uncertain.

Balance Sheet

As at June 30, 2003, current assets were \$1,368,018 as compared to \$454,216 for same period 2002. Cash on hand at end of quarter was \$321,519 compared with \$355,549 at June 30, 2002. The expected Yukon Mineral Exploration Tax Credit is estimated at \$142,257 which includes \$96,142 related to the period ended December 31, 2002.

Capitalization of mineral properties increased slightly to \$16,702,648 at June 30, 2003 as compared to \$16,644,787 as at March 31, 2003.

Current liabilities at June 30, 2003 were \$210,171 as compared to \$89,716 as at March 31, 2003. The large increase is accounted for by exploration expenditures accrued to June 30, 2003 and by increased accounting and legal costs associated with the formation of StrataGold and the plan of arrangement.

Consolidated Statement of Operations and Deficit

Administration costs for the second quarter 2003 were \$166,401; however, this does not include \$325,752 in deferred charges related to the Plan of Arrangement and financing for StrataGold, as compared to \$97,504 for the same period 2002. Administration expenses during the first 6 months of the year are offset by a large gain of \$560,391 on disposal of non controlling interest in Expatriate's precious metals properties. After this offsetting gain, there were net earnings of

\$94,229 to June 30, 2003. The net increase in administration costs is due to one-time expenses related to preparing StrataGold Corporation for becoming a public company.

Professional fees for accounting and audit services for the second quarter were a negative \$15,477 as compared to positive \$23,638 for same period in 2002 largely due to reallocation of first quarter legal and brokers fees to deferred charges. Consulting fees for the quarter were a negative \$52,663, as compared to \$7,658 for 2002, with the difference due to reallocation of first quarter accounting fees to deferred charges. The expenses for Investor Relations and financing expenses for the quarter increased significantly to \$105,924 for the quarter as compared to \$21,070 for 2002, due to large StrataGold promotion and financing expenses related to the various financing efforts.

Rent and office services were \$28,240 for the second quarter, as compared to \$21,786 for the same period 2002. Salaries and benefits were \$61,961 for the second quarter, as compared to \$12,742 for the same period of 2002, due to increased time spent on administration in connection with the Plan of Arrangement. Regulatory fees were \$20,837 for the second quarter of 2003 as compared with \$8,125 in the same period in 2002 due to increased filings related to StrataGold financings in the second quarter.

Interest earned was \$2,646 for the period as compared to \$7,549 for same period 2002. The loss on conversion of foreign currencies was \$583 during the period, compares with a loss of \$4,517 for the same period in 2002. The write-down of capitalized costs of \$592 during the second quarter is related to the expensing of patent maintenance expenses for the metal leaching and sulphur technology compared to no writedowns in the same period 2002. The Company had a net loss of \$37,917 on sale or writedown of marketable securities in the second quarter 2003. The Company recognized a gain of \$21,572 due to the issuance of shares by its subsidiary, StrataGold Corporation, during the second quarter. This is in addition to the gain of \$538,819 recorded in the first quarter on the sale of a minority interest in the precious metals properties related to the sale of shares of StrataGold Corporation.

In summary, the Company had net operating loss for the period of \$166,401 for the second quarter as compared with a loss of \$179,564 for the same period in 2002. For the six month period ended June 30, 2003 the Company had earnings of \$94,229 as compared to a loss of \$308,451 for the same period in 2002. The earnings are due to the gain of \$560,391 on the sale of the minority interest in the precious metals properties.

Consolidated Statement of Cashflows

Operating Activities: The net cash outflow for the second quarter 2003 was \$61,384 as compared to net cash inflow of \$156,144 for same period 2002.

Financing Activities: Net proceeds from financing activities for the second quarter was a deficit of \$201,359 (due mainly to \$325,752 of deferred charges in connection with the formation of StrataGold Corporation under a Plan of Arrangement) as compared to a deficit of \$440,031 (due to loan repayment of \$490,335) during the same period 2002. During second quarter 2003, share issues realized \$57,000 and \$118,500 for Expatriate and StrataGold respectively, net of \$1500 in share issue costs. Capital lease repayment was \$791 for the second quarter 2003.

Investing Activities: Investing activities during second quarter 2003 contributed to cash out-flow of \$47,436 compared with a cash inflow of \$520,428 for the same period 2002. Deferred exploration and development expenses were \$71,789 during the second quarter compared to nil expenditures during the same period of the prior year. Proceeds on disposal of marketable securities in 2003 of \$29,830 were from the sale of True North Gem warrants received as part of the purchase of the Regal Ridge emerald property, compared to proceeds in 2002 of \$642,944 due to cash of \$102,500 received from True North Gems as part of the purchase of the Regal Ridge emerald property and from the sale of 295,000 Resources Investment Trust plc shares.

SUBSEQUENT EVENTS

EXPATRIATE RESOURCES LTD.

Finlayson Emerald Joint Venture

The YK Group has transferred its rights under a November 13, 2002 option and joint venture agreement with Expatriate to earn a 60% joint venture interest in the Finlayson Emerald Joint Venture to Entourage Mining Ltd. effective on August 6, 2003 (see July 24, 2003 news release). Entourage also indicated its plans to commence a prospecting and sampling program in August. The program will focus on evaluation of several beryllium soil geochemical anomalies. Emphasis for Entourage's work will be on the Goal Net and Light claim groups.

Mina Union Acquisition

Expatriate's subsidiary Compañía Minera Latina Limitada entered into a purchase agreement to acquire all interest in the Mina Union property adjacent its Isleña Project located, near the port city of Taltal, in Chile. Minera Latina currently holds approximately 850 hectares of mineral lands in the Isleña Project area.

The Mina Union property covers the area of the Union mine, which has recorded production of 84,097 tonnes with a recovered grade of 2.50% copper and 287 g/t silver over the period 1966 to 1982. Mining occurred primarily within shallow oxide mineralisation and ceased as the water table was encountered. The mineralisation consists of structurally and stratigraphically controlled sulphide replacement within limestone and limey clastic sedimentary rocks adjacent to a strand of the Atacama Fault Zone.

Minera Latina may purchase 100 percent interest in the Mina Union property by making cash payments aggregating US\$420,000 over eight years. An initial payment of US\$20,000 has been made. The owners shall retain a 4 % net smelter return royalty, which is capped at US\$680,000. Acquisition of the Mina Union property further consolidates Mineral Latina's ownership interest in the area and gives it a key position in the area from which to evaluate the various different mineralisation styles and their economic potential.

Completion of Logan Acquisition

Subsequent to June 30, 2003, Expatriate issued 2,556,585 common shares with a deemed value of \$300,000 as partial payment of the purchase price for the Logan property, Yukon (see April 22, 2003 news release for acquisition terms).

Financing Activity

Subsequent to June 30, 2003, the Expatriate issued 480,700 common shares for proceeds of \$57,684 pursuant to the exercise of warrants.

Subsequent to June 30, 2003, the Expatriate sold 28,000 True North Gems Inc. shares for proceeds of \$25,840. Expatriate also sold 14,287 common shares of Resources Investment Trust plc for proceeds of \$21,458.

Approval of Plan of Arrangement

Shareholders of Expatriate approved the Plan of Arrangement at an Extraordinary General Meeting on July 9, 2003 (see July 10, 2003 news release). The plan of arrangement provides for the separation of Expatriate and StrataGold and the listing of StrataGold on the TSX Venture Exchange subject to certain regulatory requirements.

Additional Financing – Private Placement

Subsequent to June 30, 2003, the company announced that it had secured a private placement of 6,000,000 units at \$0.10 per unit to a single placee for total proceeds of \$600,000. Each unit consists of one common share and one non-transferable common share purchase warrant entitling the holder to purchase one additional common share at a price of \$0.12 for two years from closing. A finders fee of 5% is payable on the private placement. The private placement is subject to regulatory acceptance.

STRATAGOLD CORPORATION

Hyland Joint Venture

StrataGold and Northgate announced the results of the first four drill holes completed on the Hyland Property (see August 18, 2003 news release). All four holes intersected significant gold mineralisation over a strike length of 640 metres. Assays are pending on holes 5, 6 and 7 that tested an additional 480 metres of the strike length to the north, of the soil geochemical anomaly.

Ocean Resources Capital plc

Subsequent to June 30, 2003, StrataGold sold 575,000 shares of Ocean Resources Capital for net proceeds of \$250,465.

Additional Financing

Subsequent to June 30, 2003, StrataGold received \$100,000 private placement subscription for 200,000 flow-through shares with a single placee. StrataGold also sold 250,000 units for total proceeds of \$100,000 under terms of a private placement agreement with Resources Investment Trust plc. Each unit was sold at a price of \$0.40 per unit and consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional share for \$0.52 per share for a period of two years.

Expatriate Resources Ltd.

August 26, 2003