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#### INSTRUCTIONS

This report must be filed by Exchange Issuers within 60 days of the end of their first, second and third fiscal quarters and within 140 days of their year end. "Exchange Issuer" means an issuer whose securities are listed and posted for trading on the Canadian Venture Exchange and are not listed and posted on any other exchange or quoted on a trading or quotation system in Canada. Three schedules must be attached to this report as follows:

#### SCHEDULE A: FINANCIAL STATEMENTS

Financial statements prepared in accordance with generally accepted accounting principles are required as follows:

For the *first, second and third financial quarters*:

Interim financial statements prepared in accordance with section 1751 of the CICA Handbook, including the following: balance sheet, income statement, statement of retained earnings, cash flow statement, and notes to the financial statements.

The periods required to be presented, consistent with CICA Handbook section 1751, are as follows:

- a balance sheet as of the end of the current interim period and a comparative balance sheet as of the end of the immediately preceding fiscal year;
- a statement of retained earnings cumulatively for the current fiscal year-to-date, with a comparative statement for the comparable year-to-date period of the immediately preceding fiscal year; and
- income statements and cash flow statements for the current interim period and cumulatively for the current fiscal year-to-date, with comparative statements for the comparable interim periods (current and year-to-date) of the immediately preceding fiscal year.

For the *financial year end*:

Annual audited financial statements prepared on a comparative basis.

Exchange Issuers with a fiscal year of less than or greater than 12 months should refer to National Policy No. 51 *Changes in the Ending Date of a Financial Year and in Reporting Status* for guidance.

Issuers in the development stage are directed to the guidance provided in CICA Accounting Guideline AcG-11 *Enterprises in the Development Stage* that states "enterprises in the development stage are encouraged to disclose in the income statement and in the cash flow statement cumulative balances from the inception of the development stage."

Issuers that have been involved in a reverse take-over should refer to the guidance found in BCIN #52-701 (previously NIN #91/21) with respect to such transactions including the requirement or disclosure of supplementary information regarding the legal parent's prior financial operations.

#### SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. **Analysis of expenses and deferred costs**  
Provide a breakdown of amounts presented in the financial statements for the following: deferred or expensed exploration, expensed research, deferred or expensed development, cost of sales, marketing expenses, general and administrative expenses, and any other material expenses reported in the income statement and any other material deferred costs presented in the balance sheet.

The breakdown should separately present, at a minimum, each component that comprises 20% or more of the total amount for a material classification presented on the face of the financial statements. All other components of a material

classification may be grouped together under the heading "miscellaneous" or "other" in the cost breakdown; the total for "miscellaneous" should not exceed 30% of the total for a material classification.

Breakdowns are required for the year-to-date period only. Breakdowns are not required for comparative periods.

Issuers in the development stage are reminded that Section 3(9)(b) of the BC Securities Commission's Rules requires a schedule or note to the financial statements containing an analysis of each of exploration, research, development and administration costs, whether expensed or deferred and if the issuer is a natural resource issuer, that analysis for each material property. Because the analysis required by Rule 3(9)(b) must be included in the financial statements, the information does not have to be repeated in Schedule B. Consistent with CICA Accounting Guidelines AcG-11, staff considers an issuer to be in the development stage when it is devoting substantially all of its efforts to establishing a new business and planned principal operations have not commenced. Further, in staff's view, the lack of significant revenues for the past two years normally indicates that an issuer is in the development stage.

2. **Related party transactions**  
Provide disclosure of all related party transactions as specified in Section 3840 of the CICA Handbook.
3. **Summary of securities issued and options granted during the period**  
Provide the following information for the year-to-date period:
  - (a) summary of securities issued during the period, including date of issue, type of security (common shares, convertible debentures, etc.), type of issue (private placement, public offering, exercise of warrants, etc.) number, price, total proceeds, type of consideration (cash, property, etc.) and commission paid, and
  - (b) summary of options granted during the period, including date, number, name of optionee for those options granted to insiders, generic description of other optionees (e.g. "employees",) exercise price and expiry date.
4. **Summary of securities as at the end of the reporting period**  
Provide the following information as at the end of the reporting period:
  - (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
  - (b) number and recorded value for shares issued and outstanding,
  - (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
  - (d) number of shares in each class of shares subject to escrow or pooling agreements.
5. **List the names of the directors and officers as at the date this report is signed and filed.**

#### SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

1. **General Instructions**
  - (a) Management discussion and analysis provides management with the opportunity to discuss an issuer's business, current financial results, position and future prospects.

- (b) Focus the discussion on material information, including liquidity, capital resources, known trends, commitments, events, risks or uncertainties, that is reasonably expected to have a material effect on the issuer.
- (c) For an issuer with active ongoing operations the discussion should be substantive (e.g. generally two to four pages in length); for an issuer with limited operations the discussion may not be as extensive (e.g. one page).
- (d) The discussion must be factual, balanced and non-promotional.
- (e) Where the discussion relates to a mineral project, as defined in National Instrument 43-101 "Standards of Disclosure for Mineral Projects," the disclosure must comply with NI 43-101.
2. **Description of Business**  
Provide a brief description of the issuer's business. Where an issuer is inactive and has no business, disclose these facts together with a description of any plans to reactivate and the business the issuer intends to pursue.
3. **Discussion of Operations and Financial Condition**  
Provide a meaningful discussion and analysis of the issuer's operations for the current year-to-date period presented in the financial statements. Discuss the issuer's financial condition as at the date of the most recent balance sheet presented in the financial statements.
- The following is a list of items that should be addressed in management's discussion and analysis of the issuer's operations and financial condition. This is not intended to be an exhaustive list of the relevant items.
- (a) expenditures included in the analysis of expenses and deferred costs required under Securities Rule 3(9)(b) and Schedule B;
- (b) acquisition or abandonment of resource properties material to the issuer including material terms of any acquisition or disposition;
- (c) acquisition or disposition of other material capital assets including material terms of the acquisition, or disposition;
- (d) material write-off or write-down of assets;
- (e) transactions with related parties, disclosed in Schedule B or the notes to the financial statements;
- (f) material contracts or commitments;
- (g) material variances between the issuer's financial results and information previously disclosed by the issuer, (for example if the issuer does not achieve revenue and profit estimates previously released, discuss this fact and the reasons for the variance);
- (h) material terms of any existing third party investor relations arrangements or contracts including:
- i. the name of the person;
- ii. the amount paid during the reporting period; and
- iii. the services provided during the reporting period;
- (i) legal proceedings;
- (j) contingent liabilities;
- (k) default under debt or other contractual obligations; a breach of corporate, securities or other laws, or of an issuer's listing agreement with the Canadian Venture Exchange including the nature of the breach, potential ramifications and what is being done to remedy it;
- (l) regulatory approval requirements for a significant transaction including whether the issuer has obtained the required approval or has applied for the approval;
- (m) management changes; or
- (n) special resolutions passed by shareholders.
4. **Subsequent Events**  
Discuss any significant events and transactions that occurred during the time from the date of the financial statements up to the date that this report is certified by the issuer.
5. **Financings, Principal Purposes and Milestones**
- (a) In a tabular format, compare any previously disclosed principal purposes from a financing to actual expenditures made during the reporting period.
- (b) Explain any material variances and the impact, if any, on the issuer's ability to achieve previously disclosed objectives and milestones.
6. **Liquidity and Solvency**  
Discuss the issuer's working capital position and its ability to meet its ongoing obligations as they become due.

**How to File Under National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR)**

BC Form 51-901F Quarterly and Year End Reports are filed under Category of Filing: Continuous Disclosure and Filing Type: Interim Financial Statements or Annual Financial Statements. Schedule A (Financial Statements) is filed under Document Type: Interim Financial Statements or Annual Financial Statements. Schedule B (Supplementary Information) and Schedule C (management Discussion) are filed under Document Type: BC Form 51-901F (previously Document Type Form 61(BC)).

**Meeting the Form Requirements**

BC Form 51-901F consists of three parts: Instructions to schedules A, B and C, issuer details and a certificate. To comply with National instrument 132-101 it is not necessary to reproduce the instructions that are set out in BC Form 51-901F. A cover page to the schedules titled BC Form 51-901F that includes the issuer details and certificate is all that is required to meet the BC Form 51-901F requirements. The form of the certificate should be amended so as to refer to one or two of the three schedules required to complete the report.

<b>ISSUER DETAILS</b>		DATE OF REPORT			
NAME OF ISSUER		FOR QUARTER ENDED	YY	MM	DD
SULTAN MINERALS INC.		MAR. 31, 2004	2004	MAY	31
ISSUER ADDRESS					
SUITE 1400 – 570 GRANVILLE STREET					
CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.	
VANCOUVER	BC	V6C 3P1	604-687 4212	604-687 4622	
CONTACT NAME	CONTACT POSITION		CONTACT TELEPHONE NO.		
SHANNON ROSS	SECRETARY		604-687-4622		
CONTACT EMAIL ADDRESS	WEB SITE ADDRESS				
rromo@langmining.com	www.sultanminerals.com				

**CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED		
"ARTHUR G. TROUP"	ARTHUR G. TROUP	YY	MM	DD
		2004	MAY	31
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED		
"FRANK A. LANG"	FRANK A. LANG	YY	MM	DD
		2004	MAY	31

SULTAN MINERALS INC.  
FINANCIAL STATEMENTS  
MARCH 31, 2004 AND 2003  
(Unaudited)

**The Company's independent auditor has not performed a review of these financial statements.**

The Company's independent auditor has not performed a review of these financial statements.

## SULTAN MINERALS INC.

(an exploration stage company)

Interim Balance Sheets

(Unaudited – prepared by management)

	March 31, 2004	December 31, 2003
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 131,188	\$ 246,899
Restricted cash	5,234	20,173
Accounts receivable	35,905	18,281
Due from related parties (Note 6)	31,292	56,553
Prepaid expenses	30,125	20,018
	233,744	361,924
Mineral property interests (see schedule) (Note 3)	2,800,895	2,729,646
Investments (Note 4)	3,914	3,914
Equipment	287	843
Reclamation bonds	26,500	26,500
	\$ 3,065,340	\$ 3,122,827
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 58,406	\$ 54,783
Due to related parties (Note 6)	13,475	8,159
	71,881	62,942
<b>Shareholders' equity</b>		
Share capital (Note 5)	12,802,634	12,771,884
Contributed surplus	19,752	19,752
Deficit	(9,828,927)	(9,731,751)
	2,993,459	3,059,885
	\$ 3,065,340	\$ 3,122,827

See accompanying notes to financial statements.

Approved by the Directors



Arthur G. Troup



Frank A. Lang

The Company's independent auditor has not performed a review of these financial statements.

## SULTAN MINERALS INC.

(an exploration stage company)

Statements of Operations and Deficit

(Unaudited – prepared by management)

	Three months ended March 31,	
	2004	2003
<b>Expenses</b>		
Amortization	\$ 556	\$ --
Legal, accounting and audit	6,078	3,337
Management fees	7,500	7,500
Office and administration	9,940	5,554
Property investigations	2,774	474
Salaries and benefits	38,048	40,169
Shareholder communications	26,485	21,985
Travel and conferences	8,948	1,979
Project operator overhead recovery	--	(4,639)
Interest and other income	(3,153)	(2,016)
	97,176	74,343
Loss for the period	(97,176)	(74,343)
Deficit, beginning of period	(9,731,751)	(7,550,507)
Deficit, end of period	\$ (9,828,927)	\$ (7,624,850)
<b>Loss per share, basic and fully diluted</b>	\$ (0.00)	\$ (0.00)
<b>Weighted average number of common shares outstanding – basic and fully diluted</b>	39,141,081	34,955,638

See accompanying notes to financial statements.

The Company's independent auditor has not performed a review of these financial statements.

## SULTAN MINERALS INC.

(an exploration stage company)  
Statements of Cash Flows  
(Unaudited)

	Three months ended March 31,	
	2004	2003
<b>Cash provided by (used for)</b>		
<b>Operations</b>		
Loss for the period	\$ (97,176)	\$ (74,343)
Items not involving cash		
Amortization	556	--
	(96,620)	(259,527)
Changes in non-cash operating working capital		
Accounts receivable	(17,624)	33,858
Due to/from related parties	30,577	(3,004)
Prepaid expenses	(10,107)	140
Accounts payable and accrued liabilities	3,623	(158,609)
	(90,151)	(201,958)
<b>Investing</b>		
Mineral property interests		
Acquisition costs	(25,863)	(5,169)
Exploration and development costs	(21,636)	(152)
	(47,499)	(5,321)
<b>Financing</b>		
Common shares issued for cash, net of share issue costs	7,000	441,400
<b>Cash and cash equivalents and restricted cash</b>		
Increase (decrease) during the period	(130,650)	234,121
Balance, beginning of period	267,072	492,642
	\$ 136,422	\$ 726,763
<b>Supplemental information</b>		
Shares issued for mineral property interests	\$ 23,750	\$ 10,500
Shares issued for finance fees	--	10,500
Amortization included in mineral property interests	--	504

See accompanying notes to financial statements.

**The Company's independent auditor has not performed a review of these financial statements.**

**SULTAN MINERALS INC.**

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

**1. Going concern and nature of operations**

Sultan Minerals Inc. (the "Company") is incorporated under the Company Act (British Columbia), and its principal business activity is the exploration and development of mineral properties in Canada.

These financial statements have been prepared on a going-concern basis, which implies that the Company will continue realizing its assets and discharging its liabilities in the normal course of business. Accordingly, these financial statements do not reflect adjustments to the carrying value of assets and liabilities and balance sheet classifications used that would be necessary if going concern assumptions were not appropriate. Some adjustments could be material.

As disclosed in the financial statements, the Company has working capital as at March 31, 2004, of \$161,863 (December 31, 2003 - \$298,983) and an accumulated deficit of \$9,828,927 (December 31, 2003 - \$9,731,751).

The Company has capitalized \$2,800,895 in acquisition and related costs on the Kena property, the Jersey and Emerald property, the Stephens Lake property and the Willi Claims.

Without additional external funding to meet existing obligations and to finance further exploration and development work on its mineral properties, there is substantial doubt as to the Company's ability to continue as a going concern. Although the Company has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to achieve profitable mining operations or obtain adequate financing.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral reserves that are economically recoverable.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

**2. Basis of presentation**

The interim financial statements are prepared in accordance with Canadian generally accepted accounting principles applicable to interim financial statements. They follow accounting policies and methods of their application consistent with the annual financial statements as at December 31, 2003, but they do not conform in all respects with the disclosure requirements of generally accepted accounting principles for annual financial statements. Accordingly, they should be read in conjunction with the Company's December 31, 2003 annual financial statements.

**The Company's independent auditor has not performed a review of these financial statements.**

## **SULTAN MINERALS INC.**

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

### **3. Mineral property interests**

#### (a) Stephens Lake Property, Manitoba, Canada

The Company acquired a 30,000-hectare mineral lease in northern Manitoba by staking. The Company entered jointly with Cream Minerals Ltd ("Cream") and ValGold Resources Ltd. (ValGold") (the "Companies") into an agreement with BHP Billiton Diamonds Inc. ("BHP") whereby BHP has been granted options to acquire an initial 51% interest in three Mineral Exploration Licenses (Numbers 64, 65 and 66) totaling 92,194 hectares of mineral property held by the Companies in the Province of Manitoba.

In order to facilitate the exploration of the property, the Companies have agreed to pool their respective properties so that each will hold an undivided one-third interest in all three of the exploration licenses subject to the BHP agreement. The combined property is referred to as the Stephens Lake Property.

Under the terms of the agreement the Companies have granted to BHP options (the "BHP Options") to acquire firstly, a 51% undivided interest in the Stephens Lake Property (the "First Option") and secondly, a 19% undivided interest in the property (the "Second Option"). BHP has agreed to fund all exploration expenditures on the property until the BHP Options are either terminated or fully exercised.

In order to exercise the First Option, BHP must incur exploration expenditures of \$1,000,000 on the property within five years following the effective date of the agreement. This includes a firm commitment of \$100,000 in exploration expenditures to be incurred in the first year following the effective date. In order to exercise the Second Option, BHP must complete a feasibility study for the project on or before the 10th anniversary of the effective date. In the event that BHP exercises both options, a joint venture will be formed and the Companies shall thereupon have the following working interests in the joint venture - BHP - 70%; the Company - 10%; Cream - 10%, and ValGold - 10%. In the event that BHP exercises the First Option but chooses not to exercise the Second Option, or does not exercise the Second Option by the due date, then the Companies shall thereupon have the following working interests in the joint venture - BHP - 51%; the Company - 1/3 of 49%; Cream - 1/3 of 49%; and ValGold - 1/3 of 49%. If, after the joint venture is formed, a party's interest falls to 10% or less, for inability to finance their share of the joint venture or other reasons, that party's interest will convert to a 1% net smelter royalty.

#### (b) Willi Claims, Nevada, United States

The Company entered into a purchase agreement with an individual from Sparks, Nevada, U.S.A. to acquire a 100% interest in 20 Lode Mining Claims, Willi 1 through Willi 20, (the "Willi Claims"), located in Sections 25, 26 & 36, Township 19N, Range 34E, Churchill County, Nevada, U.S.A. Under the terms of the Agreement, the Company has issued 50,000 common shares at \$0.26 to the individual.

**The Company's independent auditor has not performed a review of these financial statements.**

## **SULTAN MINERALS INC.**

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

### **3. Mineral property interests (continued)**

#### (c) Coripampa 1 and 2, Peru

The Company entered into an option agreement with a Peruvian partnership to acquire 100% of the Coripampa 1 Silver Property consisting of four mineral concessions (600 hectares), located in zone 18 of Huaynacotas District, La Unión Province of the Arequipa Department and the Coripampa 2 Gold & Silver Property consisting of 6 mineral concessions (700 hectares), located in zone 18 of Districts Pampamarca/Coronel Castañeda, in the provinces of LaUnion/Parinacochas in the Arequipa/Ayacucho Departments in the Republic of Peru. Under the terms of the agreement, the Company has agreed to make total cash payments of US\$265,000 and issue 850,000 common shares to the optionor over a 54-month period following receipt of regulatory approval of the agreement. A 3.0% NSR and 300,000 common shares will be payable to the optionors upon completion of a positive feasibility study or upon commencement of commercial production, whichever occurs first. The Company will have the right to purchase 50% of the NSR for US\$1,800,000 at any time up to 120 days after the commencement of commercial production. Subsequent to March 31, 2004, a finder's fee of 15,000 common shares was paid to an arm's-length finder in connection with this transaction.

#### (d) Mineral Property Interests Commitments

To maintain its mineral property interests the Company is required to make cash payments of \$182,500 and issue 423,750 common shares in fiscal 2004. Pursuant to the option agreements, cash payments of \$15,000 have been made and 100,000 common shares have been issued in 2004.

### **4. Investments**

<b>Name of Company</b>	<b>Number of Shares</b>	<b>Book Value 2003</b>	<b>Book Value 2002</b>
Emgold Mining Corporation	6,020	\$ 3,913	\$ 3,913
LMC Management Services Ltd.	1	1	--
		<b>\$ 3,914</b>	<b>\$ 3,913</b>

The quoted market value of Emgold Mining Corporation as at March 31, 2004 was \$6,622 (December 31, 2003 - \$8,428).

**The Company's independent auditor has not performed a review of these financial statements.**

## **SULTAN MINERALS INC.**

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

### **5. Share capital**

(a) Authorized:

The authorized share capital of the Company consists of 500,000,000 common shares without par value and 50,000,000 preferred shares without par value.

(b) Issued and outstanding:

	<b>Number of Shares</b>	<b>Amount</b>
Balance, December 31, 2002	34,902,194	\$12,117,977
Issued for cash		
Private placement at \$0.20, less share issue costs	2,500,000	436,476
Flow-through private placement at \$0.20, less share issue costs	1,250,000	230,000
Stock options exercised at \$0.15	15,000	2,250
Issued for mineral property interests and other		
Corporate finance fee on brokered private placement at \$0.21	50,000	10,500
Athabasca property payment at \$0.21	50,000	10,500
Kena property payment at \$0.21	50,000	10,500
Starlight property payment at \$0.185	20,000	3,700
Silver King property payment at \$0.195	50,000	9,750
Great Western claim group property payment at \$0.18	50,000	9,000
Tough Nut property payment at \$0.18	50,000	9,000
Daylight claims property payment at \$0.235	43,750	10,281
Cariboo, Princess and Cleopatra property payment at \$0.24	50,000	12,000
Future income tax liability on flow-through shares	--	(94,050)
Fractional rounding adjustment	137	--
Balance, December 31, 2003	39,081,081	12,771,884
Issued for mineral property interests and other		
Willi Claims acquisition at \$0.26	50,000	13,000
Athabasca claims at \$0.215	50,000	10,750
Issued for cash		
Warrants exercised at \$0.28	25,000	7,000
Balance, March 31, 2004	39,206,081	\$12,802,634

The Company's independent auditor has not performed a review of these financial statements.

## SULTAN MINERALS INC.

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

### 5. Share capital (continued)

#### (c) Stock options

The Company has a stock option plan, which allows for the grant of options to purchase up to 7,513,438 shares.

The following table summarizes information about the stock options outstanding at March 31, 2004:

<b>Options Outstanding and Exercisable</b>			
<b>Range of Exercise Prices</b>	<b>Number Outstanding at March 31, 2004</b>	<b>Weighted Average Remaining Contractual Life</b>	<b>Weighted Average Exercise Price</b>
\$0.15	675,000	1.1 years	\$0.150
\$0.21	660,000	2.3 years	\$0.210
\$0.40	741,000	2.5 years	\$0.400
\$0.32	749,000	3.2 years	\$0.320
\$0.15 to \$0.40	2,825,000	2.3 years	\$0.251

No options were exercised in the three months ended March 31, 2004.

#### (d) Share purchase warrants

As at March 31, 2004, the following share purchase warrants are outstanding:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,625,000	\$0.25	September 30, 2004
750,000	\$0.24	February 11, 2005
2,375,000		

**The Company's independent auditor has not performed a review of these financial statements.**

## **SULTAN MINERALS INC.**

(an exploration stage company)

Notes to Financial Statements

Three months ended March 31, 2004 and 2003

(Unaudited – prepared by management)

### **6. Related party transactions and balances**

Services rendered and reimbursement of expenses:	<b>Three months ended March 31,</b>	
	<b>2004</b>	<b>2003</b>
LMC Management Services Ltd.	\$ 64,610	\$ 72,374
Lang Mining Corporation	7,500	7,500
Balances receivable from (payable to):	<b>March 31,</b>	
	<b>2004</b>	<b>December 31,</b>
		<b>2003</b>
LMC Management Services Ltd.	\$ 30,959	\$ 52,940
Related companies	333	3,614
Receivable from:	\$ 31,292	\$ 56,554
ValGold Resources Ltd. for expense reimbursements	\$ (13,475)	\$ --
Directors and officers expense reimbursements	--	(1,619)
DuMoulin Black	--	(6,540)
Payable to:	\$ (13,475)	\$ (8,159)

### **7. Subsequent events**

See also Note 3(c)

Subsequent to March 31, 2004, the Company has engaged Canaccord Capital Corporation ("Canaccord"), to act as agent on a commercially reasonable efforts basis to carry out a private placement of up to 1,700,000 units (the "Units") at a price of \$0.15 per Unit, for gross proceeds of up to \$255,000. Each Unit will be comprised of one common share and one non-transferable share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company for a period of 12 months from closing, at an exercise price of \$0.20 per share.

A cash commission equal to 8% of the gross proceeds and that number of non-transferable agent's warrants equal to 20% of the total number of units sold is to be paid, of which Canaccord may elect to take up to one-half of the commission in units. Each non-transferable compensation warrant is exercisable to acquire one additional common share of the Company at an exercise price of \$0.20 per share for a period of 12 months from the date of closing of the private placement. The transaction is subject to regulatory approval.

The Company's independent auditor has not performed a review of these financial statements.

## SULTAN MINERALS INC.

Schedules of Mineral Property Interests  
(Unaudited – prepared by management)

	March 31, 2004	December 31, 2003
<b>Kena Property, British Columbia</b>		
Acquisition costs		
Balance, beginning of period	\$ 478,853	\$ 294,790
Incurred during the period	21,768	184,063
Balance, end of period	500,621	478,853
Exploration costs		
Assays and analysis	4,340	25,218
Drilling	--	102,780
Environmental	--	5,654
Geological and geophysical	10,487	104,300
Site activities	2,890	8,391
Travel and accommodation	339	18,209
Incurred during the period	18,056	264,552
Balance, beginning of period	2,239,508	1,974,956
Balance, end of period	2,257,564	2,239,508
	2,758,185	2,718,361
<b>Jersey and Emerald Properties, British Columbia</b>	569	1
<b>Stephens Lake Property, Manitoba (Note 3(a))</b>		
Acquisition costs		
Balance, beginning of period	523	523
Incurred during the period	14,786	--
Balance, end of period	15,309	523
Exploration costs		
Balance, beginning of period	4,815	--
Geology and geophysical	1,070	4,815
Balance, end of period	5,885	4,815
	21,194	5,338
<b>Willi Claims, Nevada (Note 3(b))</b>		
Acquisition costs		
Balance, beginning of period	5,796	--
Incurred during the period	13,059	5,796
Balance, end of period	18,855	5,796
Exploration costs		
Balance, beginning of period	150	--
Geology and geophysical	1,942	150
Balance, end of period	2,092	150
	20,947	5,946
<b>Mineral Property Interests</b>	<b>\$ 2,800,895</b>	<b>\$ 2,729,646</b>

**SULTAN MINERALS INC.**  
**QUARTERLY REPORT**  
**March 31, 2004**

**Schedule B:**

**1. Analysis of expenses and deferred costs**

See Schedules of Mineral Property Interests, and Statements of Operations and Deficit in unaudited financial statements.

**2. Related party transactions**

See note 6 to the unaudited financial statements for the three months ended March 31, 2004.

**3. (a) Securities issued during the three months ended March 31, 2004**

<b>Date of Issue</b>	<b>Type of Security</b>	<b>Type of Issue</b>	<b>Number</b>	<b>Price (\$)</b>	<b>Total Proceeds (\$)</b>	<b>Type of Consideration</b>	<b>Commission Paid</b>
January 16, 2004	Common	Warrants	25,000	0.28	7,000	Cash	Nil
February 11, 2004	Common	Property payment	50,000	0.26	13,000	Property payment	Nil
March 12, 2004	Common	Property payment	50,000	0.215	10,750	Property payment	Nil

**(b) Options granted during the three months ended March 31, 2004**  
 Nil

**4. (a) Authorized Capital**

500,000,000 common shares without par value.  
 50,000,000 preferred shares without par value.

**(b) Issued and Outstanding Capital at March 31, 2004**

39,206,081 common shares are issued and outstanding. See note 5 to the unaudited financial statements for the three months ended March 31, 2004, attached in Schedule A.

**(c) (i) Stock Options Outstanding**

<b>No. of Shares</b>	<b>Exercise Price (\$)</b>	<b>Expiry Date</b>
50,000	0.21	August 25, 2004
675,000	0.15	April 14, 2005
610,000	0.21	August 31, 2006
741,000	0.40	October 19, 2006
749,000	0.32	May 16, 2007
<u>2,825,000</u>		

**SULTAN MINERALS INC.**  
**QUARTERLY REPORT**  
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(ii) Warrants Outstanding

See note 5 to the unaudited financial statements for the three months ended March 31, 2004, in Schedule A.

(d) Shares in Escrow

None.

**5.** List of Directors and Officers

Frank A. Lang, Chairman and Director  
Ben Ainsworth, Director  
Sargent H. Berner, Director  
Arthur G. Troup, President and Director  
Shannon Ross, Secretary and CFO

**Sultan Minerals Inc.**  
**March 31, 2004**

**Management Discussion and Analysis of Financial Condition For Three Months Ended  
March 31, 2004 and 2003**

The following discussion of the financial position and operating results of the Company for the interim periods ended March 31, 2004 and 2003, should be read in conjunction with the Annual Financial Statements and accompanying Notes for the years ended December 31, 2003 and 2002.

The Management Discussion and Analysis (“MD&A”) contains certain “Forward-Looking Statements.” All statements, other than statements of historical fact included herein, including without limitation, statements regarding potential mineralization and resources and future plans of the Company, are forward-looking statements that involve various risks and uncertainties including changes in future prices of gold, accidents, labour disputes and other risks associated with delays in obtaining governmental approvals or financing or in the completion of development or construction activities, and other factors discussed under “Risk Factors”.

There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. The effective date of this MD&A is May 28, 2004.

**Overview**

During the first quarter of 2004, the activities of Sultan Minerals Inc. (“Sultan”, or the “Company”), focused primarily on the acquisition of mineral property interests in Peru and Nevada. Sultan also entered into a joint venture on its Stephens Lake property in Manitoba. Data from a drilling program completed on the Kena property in the fourth quarter of 2003 was compiled in the first quarter of 2004. Sultan is continually investigating new exploration opportunities, and mineral exploration is carried out on properties identified by management as having favourable exploration potential.

**Summary of Quarterly Results**

The table below provides, for each of the most recent eight quarters, a summary of exploration costs on a project-by-project basis and of corporate expenses.

	<b>Kena property. British Columbia</b>	<b>Other British Columbia properties</b>	<b>Stephens Lake property, Manitoba</b>	<b>Others</b>	<b>General and administrative expenses (recovery) (Note 1)</b>
<b>2002</b>					
Second Quarter	125,043	268	--	--	135,057
Third Quarter	463,936	--	--	--	82,434
Fourth Quarter	6,358	25,000	523	--	(15,992)
<b>2003</b>					
First Quarter	419	179	58	--	76,359
Second Quarter	6,927	897	2,476	--	135,057
Third Quarter	80,227	782	--	--	63,282
Fourth Quarter	176,979	165	2,281	150	104,431
<b>2004</b>					
First Quarter	18,056	568	1,070	1,942	100,329

Note 1: General and administrative expenses do not include the write-down of mineral property interests.

**Sultan Minerals Inc.**  
**March 31, 2004**

**Operating Results**

For the three months ended March 31, 2004, ("Q1 2004"), Sultan incurred a loss of \$97,176 (\$0.00 per common share), compared to \$74,343 (\$0.00 per common share) in the three months ended March 31, 2003 ("Q1 2003").

**Revenue**

Sultan has no source of revenue. Interest earned on excess cash is incidental income and is offset against general and administrative expenses.

**Expenses**

General and administrative expenses totalled \$100,330 in Q1 2004 compared to \$76,359 in Q1 2003. Management fees of \$7,500 were paid in both Q1 2004 and Q1 2003 to Lang Mining Corporation, a private company owned by the Chairman and director of the Company.

Legal, accounting and audit expenses of \$6,078 were paid in Q1 2004 compared to \$3,337 in Q1 2003. The increase is due to the increased audit time and regulatory reporting.

Office and administration costs of \$9,940 were paid in Q1 2004 compared to \$5,554 in Q1 2003. Office and administration expenses include telephone, courier, and other direct costs, which are incurred in the period. Office and administration costs may increase in the balance of fiscal 2004, as the cost of communication with foreign jurisdictions is much higher than local communication. The Company is planning to commence an exploration program on the Coripampa properties in Peru. Exploration on any of its mineral property interests is dependent upon raising capital or obtaining sufficient capital to fund ongoing operations.

During Q1 2003, \$4,639 in overhead was recovered from Kinross for management of the Kena property exploration program, as compared to \$nil in Q1 2004. The agreement with Kinross was terminated in June 2003.

Shareholder communications costs have increased from \$21,985 in Q1 2003 to \$26,485 in Q1 2004. Transfer agent and filing fees of \$4,944 are included in shareholder communications costs in Q1 2004, compared with \$5,250 in Q1 2003, reflecting increases in filing fees. In Q1 2003, the Company hired Windward Communications to provide investor relations services and \$8,687 was expended with no comparative expense in Q1 2004. Investor relation services of \$6,000 were paid to Arbutus Enterprises Ltd. in Q1 2004, with no comparative expense in Q1 2003. Other shareholder communications costs include news release dissemination and web site maintenance.

In Q1 2004 the Company expended \$2,774 on mineral property investigations compared to \$474 in Q1 2003. The Company is presented with mineral properties and the property details are reviewed to determine if further investigation is required. If an interest in a mineral property is acquired, the property investigation costs are capitalized. These capitalized costs are reviewed on a regular basis to determine the likelihood of recovery, and costs are written down where appropriate.

Depending upon the ability of the Company to raise sufficient funds to carry out its projected exploration plans, the Company expects expenses for fiscal 2004 to remain at approximately the same level as fiscal 2003. The Company will be evaluating the Coripampa Properties in fiscal 2004, and further analysis is planned for the Company's Kena property.

**Financing Activities and Capital Expenditures**

Unrestricted cash on hand at March 31, 2004, was \$131,188 (December 31, 2003 - \$246,899). At March 31, 2004, Sultan's working capital was \$161,863, as compared to \$298,983 at December 31, 2003. All of Sultan's cash and cash equivalents are held in redeemable certificates of deposit and in bank accounts.

**Sultan Minerals Inc.**  
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**Financing Activities**

During Q1 2004, 25,000 warrants were exercised at a price of \$0.28.

All of Sultan's short to medium-term operation and exploration cash flow must be derived from external financing. Sultan believes it will be able to raise sufficient capital to fund ongoing operations for at least the next year. Actual funding may vary from what is planned due to a number of factors, the most significant of which would be the progress of exploration and development on its current properties. In the event that changes in market conditions prevent Sultan from receiving additional external financing if required, it will need to review its current property holdings and prioritize project exploration with cash availability. Cash payments due on property options may not be made, and unless agreements to extend the terms are made with the optionors, the properties may be returned to the optionor.

Subsequent to March 31, 2004, the Company has engaged Canaccord Capital Corporation ("Canaccord"), to act as agent on a commercially reasonable efforts basis to carry out a private placement of up to 1,700,000 units (the "Units") at a price of \$0.15 per Unit, for gross proceeds of up to \$255,000. Each Unit will be comprised of one common share and one non-transferable share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one additional common share of the Company for a period of 12 months from closing, at an exercise price of \$0.20 per share.

A cash commission equal to 8% of the gross proceeds and that number of non-transferable agent's warrants equal to 20% of the total number of units sold is to be paid, of which Canaccord may elect to take up to one-half of the commission in units. Each non-transferable compensation warrant is exercisable to acquire one additional common share of the Company at an exercise price of \$0.20 per share for a period of 12 months from the date of closing of the private placement. The transaction is subject to regulatory approval.

**Investing Activities**

**Kena Property, British Columbia**

The Company holds 100% of the original Kena Property claims located near the community of Ymir in southeastern British Columbia. During Q1 2004, 50,000 common shares were issued at a price of \$0.215 per share as an option payment on the Athabasca claims.

During Q1 2004, the Company expended \$18,056 in exploration costs on the Kena property compared to \$419 in Q1 2003. The expenditures on the Kena property in Q1 2004 included the following: assays and analysis - \$4,340; (Q1 2003 - \$nil); geological and geophysical - \$10,487 (Q1 2003 - \$279); travel and accommodation - \$339 (Q1 2003 - \$nil); and site activities \$2,890 (Q1 2003 - \$140). Acquisition costs of \$21,768 were incurred in Q1 2004 (Q1 2003- \$15,668).

Various property agreements have been entered into on properties contiguous to the initial Kena claims. These option agreements include the Starlight Claim Group, the Daylight Claim Group, the Cariboo claims, the Silver King Claim Group and the Athabasca claim Group.

At December 31, 2003, \$17,230 in flow through exploration costs had not yet been expended related to a flow through private placement completed in fiscal 2003.

**Willi Claims, Nevada**

During Q1 2004, Sultan entered into a purchase agreement with an individual from Sparks, Nevada, U.S.A. to acquire a 100% interest in 20 lode mining claims, WILLI 1 through WILLI 20, (the "WILLI Property"), located in Sections 25, 26 & 36, Township 19N, Range 34E, Churchill County, Nevada, U.S.A. Under the terms of the agreement, Sultan issued 50,000 common shares at a price of \$0.26 per share to the seller to acquire a 100% interest in the Willi Property. The Company expended \$13,059 on acquisition costs and \$1,942 on geological expenses on the Willi claims in Q1 2004.

Sultan is planning a surface exploration program of geological mapping, geochemistry and geophysical surveying on the WILLI Property in order to define targets for reverse-circulation drill testing.

## **Sultan Minerals Inc.**

**March 31, 2004**

### Coripampa Properties, Peru

Sultan has entered into an option agreement with a Peruvian partnership to acquire a 100% interest in the Coripampa 1 Silver Property consisting of four mineral concessions (600 hectares) located in zone 18 of Huaynacotas District, La Unión Province of the Arequipa Department and the Coripampa 2 Gold & Silver Property consisting of 6 mineral concessions (700 hectares) located in zone 18 of Districts Pampamarca/Coronel Castañeda, of the provinces of LaUnion/Parinacochas at the Arequipa/Ayacucho Departments in the Republic of Peru.

Sultan is planning a program of geological mapping, trenching and geochemical sampling to define targets for possible drill testing on both the Coripampa 1 Silver Property and Coripampa 2 Gold & Silver Property.

Under the terms of the agreement the Company has agreed to make total cash payments of US\$265,000 and to issue 850,000 common shares to the optionor over a 54-month period. During fiscal 2004, the first year of the agreement, Sultan will make cash and share payments to the optionor consisting of US\$20,000 (US\$5,000 paid subsequent to March 31, 2004) and 100,000 common shares, respectively. Subsequent to March 31, 2004, a finder's fee of 15,000 common shares was paid to an arms-length finder in connection with this transaction.

### Stephens Lake Property, Manitoba

In Q1 2004, the Company expended \$14,786 on acquisition costs (Q1 2003 - \$58) on geological expenses.

All required payments, whether shares, cash or work commitments, required to maintain the option agreements on its mineral property interests in good standing, have been made by the Company to date. Share issuances are required to be made on several properties throughout fiscal 2004. The share price recorded for all property acquisitions is the closing price of the Company's shares on the TSX Venture Exchange on the date that the share payment is due.

### **Uncertainties and Risk Factors**

The uncertainties and risks affecting Sultan's activities are discussed in the Annual MD&A.

### **Critical Accounting Policies**

The Company continues to follow the accounting policies described in the audited financial statement for the year ended December 31, 2003, that were mailed to shareholders in May of 2004.

### **Outlook**

In fiscal 2004, Sultan will complete a resource study on its Kena Property near Ymir, British Columbia. This study is expected to provide information on the size and configuration of the Kena and Gold Mountain zone deposits that will direct future drill programs and lead to the expansion of the two deposits.

Also in fiscal 2004 the Company will undertake mapping and sampling programs on the Coripampa 1 and 2 properties in Peru and on the Willi silver property in Nevada.

Airborne geophysical surveys are currently being completed by BHP Billiton Diamonds Inc. over the Stephens Lake copper-nickel property in Manitoba. This work is expected to generate targets for diamond drill testing by year-end.

**FORM 52-109FT2**  
**CERTIFICATION OF INTERIM FILINGS DURING TRANSITION PERIOD**

I, **ARTHUR G. TROUP**, President and Chief Executive Officer of **SULTAN MINERALS INC.**, certify that:

1. I have reviewed the interim filings (as this term is defined in *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*) of **SULTAN MINERALS INC.** (the issuer) for the interim period ending March 31, 2004;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

Date: May 28, 2004

“Arthur G. Troup”

Arthur G. Troup  
President and Chief Executive Officer

**FORM 52-109FT2**  
**CERTIFICATION OF INTERIM FILINGS DURING TRANSITION PERIOD**

I, **SHANNON M. ROSS**, Chief Financial Officer of **SULTAN MINERALS INC.**, certify that:

1. I have reviewed the interim filings (as this term is defined in *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*) of **SULTAN MINERALS INC.** (the issuer) for the interim period ending March 31, 2004;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

Date: May 28, 2004

“Shannon M. Ross”

Shannon M. Ross  
Chief Financial Officer