

**TAN RANGE
EXPLORATION
CORPORATION**



TAN RANGE EXPLORATION CORPORATION

**Consolidated Financial Statements
For the Three Months Ended November 30, 2004 and 2003**

**Unaudited
Prepared by Management
Vancouver, B.C.**

Tan Range Exploration Corporation
Consolidated Financial Statements
For the Three Months Ended November 30, 2004 and 2003

Notice

The accompanying unaudited interim financial statements of Tan Range Exploration Corporation (the "Company") have not been reviewed by the Company's auditors.

Tan Range Exploration Corporation
Consolidated Balance Sheet
As at November 30, 2004 and August 31, 2004

ASSETS	November 30, 2004	August 31, 2004
Current Assets	\$	\$
Cash and Short Term Deposits	1,255,953	1,067,448
Short-term investments	-	415,201
Accounts and Other Receivables	44,030	61,035
Prepaid Expenses and deposits	<u>537,608</u>	<u>521,889</u>
	1,837,591	2,065,573
MINERAL PROPERTIES AND DEFERRED EXPLORATION AND DEVELOPMENT COSTS (Note 3)		
Capital Assets	20,311,249	19,853,296
	<u>195,333</u>	<u>173,504</u>
	<u>22,344,173</u>	<u>22,092,373</u>
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	207,896	146,672
Future Income taxes	647,565	647,565
SHAREHOLDERS' EQUITY		
Share Capital (Note 4)	42,780,071	42,145,471
Deficit	<u>(21,291,359)</u>	<u>(20,847,335)</u>
	<u>21,488,712</u>	<u>21,298,136</u>
	<u>22,344,173</u>	<u>22,092,373</u>

"James E. Sinclair", Director

"Victoria M. Luis", Director

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Tan Range Exploration Corporation
Consolidated Statements of Operations and Deficit
For the Three Months Ended November 30, 2004 and 2003

	November 30, 2004	November 30, 2003
	\$	\$
EXPENSES		
Amortization	12,544	10,192
Annual General Meeting	2,500	2,000
Capital Tax	3,243	-
Consulting and Management Fees	30,574	44,873
Insurance	17,770	15,818
New Property Investigation Costs	44,090	228,289
Office and Administration	20,470	24,569
Office Rentals	9,973	39,439
Press Releases	22,584	5,932
Printing and Mailout	8,024	1,000
Professional Fees	10,386	18,621
Promotion and Shareholder Relations	1,627	1,445
Salaries and Benefits	146,147	105,102
Telephone and Fax	7,436	5,748
Transfer Agent and Listing	8,395	12,331
Travel and Accommodation	<u>7,025</u>	<u>8,140</u>
	352,788	523,499
OTHER (INCOME) EXPENSE		
(Interest Earned), Net of Expense	(515)	(234)
Gain on Sale of Short-term Investment	(2,527)	(9,015)
Foreign Exchange (Gain) Loss	<u>94,278</u>	<u>39,646</u>
	91,236	30,397
NET LOSS FOR THE PERIOD	444,024	553,896
DEFICIT, BEGINNING OF PERIOD	<u>20,847,335</u>	<u>19,230,971</u>
DEFICIT, END OF PERIOD	<u>21,291,359</u>	<u>19,784,867</u>
Basic and diluted loss per share	.01	.01
Weighted average shares outstanding	<u>82,591,109</u>	<u>80,502,496</u>

Unaudited – Prepared by Management

Tan Range Exploration Corporation
Consolidated Statement of Changes in Financial Position
For the Three Months Ended November 30, 2004 and 2003

	November 30, 2004	November 30, 2003
	\$	\$
Cash provided from (used for)		
Operating activities		
Loss for the period	(444,024)	(553,896)
Items not affecting cash:		
Amortization	12,544	10,192
Gain on sale of Short-term investment	(2,527)	(9,015)
Change in non-cash working capital items		
Accounts Receivable	17,005	21,979
Prepaid expenses	(15,719)	(11,777)
Accounts Payable	<u>61,224</u>	<u>(129,548)</u>
	62,510	(119,346)
	(371,497)	(672,065)
Investing Activities		
Mineral properties and deferred exploration	(457,953)	(161,344)
Short term investments	417,728	(60,923)
Capital asset (additions) disposals, net	<u>(34,373)</u>	<u>(12,229)</u>
	(74,598)	(234,496)
Financing Activities		
Share capital issued	<u>634,600</u>	<u>526,300</u>
	634,600	526,300
NET INCREASE (DECREASE) IN CASH	188,505	(380,261)
CASH BEGINNING OF PERIOD	<u>1,067,448</u>	<u>1,550,072</u>
CASH END OF PERIOD	<u>1,255,953</u>	<u>1,169,811</u>

Unaudited – Prepared by Management

Tan Range Exploration Corporation

Summary of Note Disclosure to the Consolidated Financial Statements

For the Three Months Ended November 30, 2004 and 2003

(Unaudited)

1. Nature of operations

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral deposits that are economically recoverable. The continued operations of the Company and the recoverability of the amounts shown for mineral properties and related deferred costs are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to explore and develop, and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as deferred expenditures and property acquisition costs represent net costs to date, less amounts recovered, amortized and/or written off, and do not necessarily represent present or future values.

2. Significant accounting policies

These interim consolidated financial statements of Tan Range Exploration Corporation (the "Company") have been prepared by management, and have not been audited or reviewed by an independent public accountant. These interim consolidated financial statements do not include all disclosures required by Canadian generally accepted accounting principles for annual financial statements, and accordingly, these interim consolidated financial statements should be read in conjunction with the Company's most recent annual consolidated financial statements. These interim consolidated financial statements follow the same accounting policies and methods of application as the Company's audited annual consolidated financial statements as at and for the year ended August 31, 2004.

These interim consolidated financial statements include the accounts of the Company and its subsidiaries:

Tan Range Exploration Corporation
Consolidated Statement of Mineral Properties and
Deferred Exploration and Development Cost
For the Three Months Ended November 30, 2004 and
Year Ended August 31, 2004

3. Mineral properties and deferred exploration and development costs:

The continuity of expenditures on mineral properties is as follows:

	Itetemia Project (a)	Luhala Project (b)	Kigosi (c)	Lunguya (d)	Kanagele (e)	Tulawaka (f)	Ushirombo (g)	Mbogwe (h)	Biharamulu (i)	Other (j)	Total
Balance, August 31, 2002	7,288,200	2,498,293	1,072,516	2,177,768	785,565	1,424,545	1,330,002	984,190	679,869	311,607	18,552,555
Exploration expenditures:											
Camp, field supplies and travel	2,512	3,747	1,223	15,687	218	42	24,275	2,770	1,659	6,172	58,305
Exploration and field overhead	(143)	33,543	6,240	182,437	52,319	185,825	66,311	36,418	17,743	149,041	729,734
Geological consulting and field wages	22	314	6,510	47,786	1,234	-	5,376	130	278	397	62,047
Geophysical and geochemical	13,910	2,814	3,298	80,985	8,465	-	24,619	16,421	1,896	34,623	187,031
Property acquisition costs	-	40,519	36,183	-	6,900	-	-	-	12,501	57,850	153,953
Parts and equipment	-	-	-	1,454	-	-	1,875	-	-	2,937	6,266
Trenching and drilling	-	-	-	122,563	-	-	-	16,393	-	-	138,956
Option payments received	(11,410)	-	-	-	-	(56,974)	(44,419)	(11,410)	(60,752)	-	(184,965)
Reclassifications	-	-	371,411	-	-	4,270	(371,411)	-	-	(4,270)	-
	4,891	80,937	424,865	450,912	69,136	133,163	(293,374)	60,722	(26,675)	246,750	1,151,327
	7,293,091	2,579,230	1,497,381	2,628,680	854,701	1,557,708	1,036,628	1,044,912	653,194	558,357	19,703,882
Write-offs	(729,309)	-	-	(35,342)	-	-	(106,386)	-	(10,744)	(149,655)	(1,031,436)
Balance, August 31, 2003	6,563,782	2,579,230	1,497,381	2,593,338	854,701	1,557,708	930,242	1,044,912	642,450	408,702	18,672,446
Exploration expenditures:											
Camp, field supplies and travel	-	13,967	-	5,528	3,406	-	1,098	-	2,259	21,386	47,644
Exploration and field overhead	-	168,588	39,175	129,371	101,526	56,643	52,614	41,485	28,182	348,888	985,189
Geological consulting and field wages	18,717	1,274	-	-	-	-	-	-	-	(21,113)	(19,839)
Geophysical and geochemical	-	4,813	3,986	60,625	73,524	2,598	16,065	2,288	5,244	91,976	261,119
Property acquisition costs	-	50,546	-	-	21,706	-	-	-	274	164,833	237,359
Parts and equipment	-	108	-	-	-	-	-	-	-	109	217
Trenching and drilling	-	1,095	-	-	-	-	-	-	-	-	1,095
Option payments received	(17,496)	-	(58,811)	-	-	(88,926)	(123,275)	(17,496)	(25,930)	-	(331,934)
Reclassifications	-	-	286,762	-	-	-	(286,762)	-	-	-	-
	1,221	240,391	271,112	195,524	200,162	(29,685)	(340,260)	26,277	10,029	606,079	1,180,850
Balance, August 31, 2004	\$ 6,565,003	\$ 2,819,621	\$ 1,768,493	\$ 2,788,862	\$ 1,054,863	\$ 1,528,023	\$ 589,982	\$ 1,071,189	\$ 652,479	\$ 1,014,781	\$ 19,853,296
Exploration expenditures:											
Camp, field supplies and travel	-	4428	-	-	-	-	-	-	-	15585	20013
Exploration and field overhead	-	84944	5533	1102	2423	5762	4491	5036	-38584	106338	177045
Geological consulting and field wages	-	-	-	-	-	-	-	-	-	-	0
Geophysical and geochemical	-	5626	-	48668	22341	36	652	623	1454	60574	139974
Property acquisition costs	-	-	17271	-	18898	12602	-	-	-	30261	79032
Parts and equipment	-	4842	-	-	-	-	-	-	-	9	4851
Trenching and drilling	-	51241	-	-	-	-	-	-	-	-	51241
Option payments received	-	-	-	-	-	-14203	-	-	-38584	-	-14203
Reclassifications	-	-	-	-	-	-	-	-	-	-	0
	-	151,081	22,804	49,770	43,662	4,197	5,143	5,659	(37,130)	212,767	507,953
Balance, November 30, 2004	\$ 6,565,003	\$ 2,970,702	\$ 1,791,297	\$ 2,838,632	\$ 1,098,525	\$ 1,532,220	\$ 595,125	\$ 1,076,848	\$ 615,349	\$ 1,227,548	\$ 20,311,249

Tan Range Exploration Corporation

Summary of Note Disclosure to the Consolidated Financial Statements

For the Three Months Ended November 30, 2004 and 2003

(Unaudited)

4. Share Capital

<u>Share Capital</u>	<u>Number</u>	<u>Amount (\$)</u>
Balance at August 31, 2004	82,464,037	42,145,471
Issued for cash	415,011	500,000
Subscriptions received	-	125,000
Issued on exercise of stock options	<u>10,000</u>	<u>9,600</u>
Balance at November 30, 2004	<u>82,889,048</u>	<u>42,780,071</u>

5. Options Outstanding

<u>Type of Security</u>	<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Options	50,000	\$0.50	January 19, 2005
Options	15,000	\$0.51	August 7, 2006
Options	400,000	\$0.79	May 3, 2007
Options	<u>50,000</u>	\$0.83	June 20, 2007
	<u>515,000</u>		

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