



Moydow Mines
INTERNATIONAL INC.

First Quarter

Interim Report

Three Months Ended March 31, 2003

Dublin Office
74 Haddington Road
Dublin 4, Ireland
Tel : (353) 1-667-7611
Fax : (353) 1-667-7622
E-mail : www.moydow.com

Toronto Office
Suite 1220, 20 Toronto Street
Toronto, Ontario M5C 2B8
Tel : (416) 703-3751
Fax : (416) 367-3638
E-mail : info@moydow.com

Moydow Mines International Inc.
First Quarter Interim Report, Three Months ended March 31, 2003

Message to our shareholders

On March 24, 2003, your Company signed a letter of intent with Newmont Mining Corporation to sell its 50% interest in the Ntotoroso deposit for US\$20 million, of which Moydow will have the option of receiving up to US\$2 million in cash and the balance in Newmont shares.

The price of these Newmont shares was fixed at a maximum of US\$25.50 each, meaning that if the share price stays above that price Moydow will receive 784,314 shares of Newmont Mining.

The transaction is expected to be completed in the next two months and a combined Annual and Extraordinary General Meeting will be held at the end of July, at which time the shareholders will vote on the proposed transaction.

In the meantime, your Company continues its exploration efforts in Ghana and Canada. A new round of exploration at the Kanyankaw project in Ghana is expected to commence in the summer. At the recently optioned True Grit property in Newfoundland our geologists are on the ground and it is expected that drilling will commence in the next two weeks.

Subsequent to the sale of our 50% interest in Ntotoroso, your Company will be uniquely positioned to take advantage of the recent upswing in the gold price and the improved sentiment in the exploration market. As previously stated, it is the intention to return a major portion of the initial consideration directly to the shareholders in a tax-efficient manner, while still retaining enough to ensure that your Company can continue to explore aggressively worldwide.

Prior to the combined Annual and Extraordinary General Meeting to be held in Toronto at the end of July, 2003, a circular detailing the proposed transaction and the eventual path forward for your Company will be distributed to all shareholders.

Thank you for your ongoing support during this time of transition and we look forward together to a successful future.

“Signed”
Brian Kiernan
President and Chief Executive Officer

May 28, 2003

Management's Discussion and Analysis of Financial Condition

(All results are expressed in United States dollars unless otherwise stated.)

The Company

Moydow Mines International Inc. ("Moydow Mines" or "the Company") is engaged in the acquisition and exploration of gold properties, principally in West Africa. The Company has been active in Ghana since 1992 and has operating offices in Ireland, Ghana and Canada. At March 31, 2003, the Company's principal asset is a 50% interest in the Ntotoroso gold property in Ghana. Moydow Mines' common shares are listed on the Toronto Stock Exchange (symbol "Moy").

Overview

Ntotoroso Project

In March 2003, the Company signed a letter of intent to sell its interest in the Ntotoroso property to Newmont Mining Corporation, its 50/50 joint venture partner in the property. Initial consideration to Moydow for its interest in Ntotoroso will be \$20 million, of which Moydow will have the option of receiving up to \$2 million in cash and the balance in Newmont shares. The deemed price of the Newmont shares will be determined three business days before closing but will not exceed \$25.50 or be less than \$24.50 per share. In addition, Moydow will receive a 2% net smelter return royalty in respect of all gold and silver production from the Ntotoroso property in excess of the currently defined reserve of 1.2 million ounces. Moydow Mines has 27,724,014 shares outstanding and Newmont owns approximately 1,325,000 shares in Moydow. As part of the proposed transaction Newmont has agreed that its Moydow shares would be cancelled at the time of closing.

It is expected that the sale of Ntotoroso will be completed within the original timeframe of 120 days from the date of signing the letter of intent on March 24, 2003, subject to Toronto Stock Exchange approval, appropriate due diligence and other regulatory and corporate approvals.

In March 2001, Lycopodium Pty Ltd of Perth, Australia, completed a definitive feasibility study on Zones E and A on the property. The study was based on a gold price of \$270 and proven and probable reserves of 14 million tonnes of ore grading 2.36 grams of gold per tonne and average gold production for the first five years of 120,000 ounces per year at a projected cash cost of \$184 per ounce.

Newfoundland Project

In February, 2003 the Company signed an agreement with Cornerstone Capital Resources Inc. ("Cornerstone"), whereby the Company has the option to acquire a 51% interest in a group of claims located in south-central Newfoundland owned by Cornerstone. The Company is required to incur exploration expenditures on these claims of not less than Cdn\$800,000 on or before February 2007 in order to earn a 51% interest in these properties. In addition, the Company is required to make cash payments to Cornerstone Resources Inc. totalling Cdn\$80,000 over a period of four years. On March 21, 2003, under the terms of the agreement with Cornerstone, the Company issued 10,000 common shares of Moydow Mines at a price of Cdn\$0.88 per share and granted warrants for the purchase of 200,000 common shares at a price of Cdn\$0.90 per share to Cornerstone. The warrants expire on February 28, 2005. When the Company has earned its 51% interest, it will have an exclusive option to acquire an additional 29% interest in the claims by incurring further exploration costs of Cdn\$1,200,000. A drilling program is scheduled to commence in early June on this property.

Segmented Information

The Company does not segment information geographically as substantially all of its exploration and development operations are located in West Africa.

Results of Operations

Net losses for the three months to March 31, 2003 and 2002 were \$0.17 million or \$0.006 per share and \$0.14 million or \$0.005 per share, respectively.

During the first quarter of 2003, the Company wrote off mineral property expenditures incurred on a number of minor projects in the amount of \$0.005 million compared to \$0.02 million in the first quarter of 2002.

General and administrative expenses were \$0.18 million in the first quarter of 2003 compared to \$0.16 million in the same quarter of 2002.

The Company received operator fees of \$0.004 million in the first quarter of 2003 compared to \$0.04 million in the same period in 2002. During the first quarter of 2003, the level of work undertaken on the Ntotoroso project was significantly reduced compared to the same period in 2002. The operator fees are calculated as a percentage of costs incurred on the property.

The foreign exchange gain for three months ended March 31, 2003 was \$0.02 million compared to a gain of \$14 for the same period in 2002. The foreign exchange gain resulted from movements in exchange rates between operating currencies and the United States dollar.

The Company earned deposit interest income of \$0.004 million and \$0.01 million during the first quarter of 2003 and 2002, respectively. Interest income is dependent on available cash balances and prevailing interest rates.

Liquidity and Capital Resources

At March 31, 2003, the Company had working capital of \$0.67 million (compared to \$0.92 million at December 31, 2002) of which \$0.13 million is restricted cash under the terms of the flow through financing completed during 2002. Cash and cash equivalents at March 31, 2003 amounted to \$0.83 million compared to \$1.07 million at December 31, 2002.

Cash flow used in operating activities in the three months ended March 31, 2003, including changes in non-cash working capital of \$0.07 million, totalled \$0.15 million. In the three months ended March 31, 2003 cash used in investing activities (exploration of mineral properties incurred mainly in Newfoundland) was \$0.09 million (2002 - \$0.13 million).

At March 31, 2003, the Company had stock options outstanding under its stock option plan for the purchase of an aggregate of 3,372,500 common shares, and warrants outstanding, for the acquisition of 268,750 common shares.

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
(expressed in United States dollars, unless otherwise stated)

	March 31, 2003 (unaudited)	December 31, 2002 (audited)
Assets		
Current assets		
Cash and cash equivalents	\$831,019	\$1,072,837
Accounts receivable and prepaid expenses	57,801	36,620
Total current assets	888,820	1,109,457
Mineral properties	4,480,378	4,384,057
Other assets	36,376	40,426
Total assets	<u>\$5,405,574</u>	<u>\$5,533,940</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	222,649	193,799
Total liabilities	222,649	193,799
Shareholders' equity		
Capital stock	15,472,174	15,466,233
Deficit	(10,289,249)	(10,126,092)
Total shareholders' equity	<u>(5,182,925)</u>	<u>5,340,141</u>
Total liabilities and shareholders' equity	<u>\$5,405,574</u>	<u>\$5,533,940</u>

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT
(expressed in United States dollars, unless otherwise stated)

For the three months ended March 31 (unaudited)	2003	2002
Revenues		
Operator's fees	\$3,635	\$38,164
	3,635	38,164
Expenses		
General and administrative expenses	185,116	159,014
Write down of mineral properties	4,783	21,069
Amortization of plant and equipment	2,837	2,739
Foreign exchange gain	(22,193)	(14)
	170,543	182,808
Other income and expenses		
Interest income	3,751	8,468
Net loss for the period	(163,157)	(136,176)
Consolidated statements of deficit		
Deficit, beginning of period	(10,126,092)	(9,038,840)
Net loss for the period	(163,157)	(136,176)
Deficit, end of period	\$(10,289,249)	\$(9,175,016)
Basic and diluted loss per common share	\$(0.006)	\$(0.005)
Weighted average number of common shares outstanding	27,715,125	27,026,514

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(expressed in United States dollars, unless otherwise stated)

For the three months ended March 31 (unaudited)	2003	2002
Operating activities		
Net loss for the period	\$(163,157)	\$(136,176)
Adjustments for non-cash items:		
Write down of mineral properties	4,783	21,069
Amortization of plant and equipment	2,837	2,739
	(155,537)	(112,368)
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	(21,181)	583
Accounts payable and accrued liabilities	28,850	(21,260)
	7,669	(20,577)
Cash flow used in operating activities	147,868	(133,045)
Investing activities		
Exploration of mineral properties	(99,891)	(131,923)
Cash flow used in investing activities	(99,891)	(131,923)
Financing activities		
Issue of shares	5,941	-
Cash flow from financing activities	5,941	-
Decrease in cash and cash equivalents	(241,818)	(264,968)
Cash and cash equivalents at beginning of period	1,072,837	1,933,038
Cash and cash equivalents at end of period	\$831,019	\$1,668,070

MOYDOW MINES INTERNATIONAL INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(expressed in United States dollars, unless otherwise stated)

Basis of presentation and consolidation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The consolidated financial statements include the accounts of the Company, its subsidiaries and a proportionate share of the Company's interests in joint ventures. Interests in associated companies, which are not controlled but over which the Company has the ability to exercise significant influence, are accounted for using the equity method. All significant inter-company accounts and transactions have been eliminated. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the periods ended March 31, 2003 are not necessarily indicative of the results that may be expected for the full year ended December 31, 2003. For further information, see the Company's consolidated financial statements including the notes thereto for the year ended December 31, 2002.

Ntoroso Gold Project, Ghana

The Company holds a 50% joint venture interest in Rank Mining Company Limited ("Rank"). Rank holds a thirty year mining lease on the Ntoroso property in the Yamfo-Sefwi gold belt in Ghana. On March 24, 2003, the Company signed a letter of intent to sell its interest in the Ntoroso Property to Newmont Mining Corporation, its 50/50 joint venture partner in the property. The proceeds to Moydow for its interest in Ntoroso will be \$20 million, of which Moydow will have the option of receiving up to \$2 million in cash and the balance in Newmont shares. The number of Newmont shares to be received will be determined based upon the average price of the shares during the three business days prior to closing but will not exceed \$25.50 or be less than \$24.50 per share. In addition, Moydow will receive a 2% net smelter return royalty in respect of all gold and silver production from the Ntoroso property in excess of 1.2 million ounces. It is expected that the sale of Ntoroso will be completed within the original timeframe of 120 days from the date of signing the letter of intent on March 24, 2003, subject to Toronto Stock Exchange approval, appropriate due diligence and other regulatory and corporate approvals.

Newfoundland Project

In February, 2003 the Company signed an agreement with Cornerstone Capital Resources Inc. ("Cornerstone"), whereby the Company has the option to acquire a 51% interest in a group of claims located in south-central Newfoundland owned by Cornerstone. The Company is required to incur exploration expenditures on these claims of not less than Cdn\$800,000 on or before February 2007 in order to earn a 51% interest in these properties. In addition, the Company is required to make cash payments to Cornerstone Resources Inc. totalling Cdn\$80,000 over a period of four years. On March 21, 2003, under the terms of the agreement with Cornerstone, the Company issued 10,000 common shares of Moydow Mines at a price of Cdn\$0.88 per share and granted warrants for the purchase of 200,000 common shares at a price of Cdn\$0.90 per share to Cornerstone. The warrants expire on February 28, 2005. When the Company has earned its 51% interest, it will have an exclusive option to acquire an additional 29% interest in the claims by incurring further exploration costs of Cdn\$1,200,000. A drilling program is scheduled to commence in early June on this property.

MOYDOW MINES INTERNATIONAL INC.

Corporate Information

Directors and Officers

Noel P. Kiernan - *Director, Chairman*
Brian P. Kiernan - *Director, President & CEO*
Sylvester P. Boland - *Director, Member of the Audit Committee*
Albert C. Gourley - *Director, Member of the Audit Committee*
Norman D. A. Hardie - *Director*
Victor J. E. Jones - *Director, Member of the Audit Committee*
Michael E. Power - *Director, Vice President & Secretary*

J. Joseph Breen - *COO*
Geoffrey G. Farr - *Assistant Secretary*
Rosemary G. O'Mongain - *CFO*

Registered Office

12th Floor
20 Toronto Street
Toronto, Ontario
Canada, M5C 2B8
Tel: (416) 703 3751 Fax: (416) 367 3638

Dublin Office

74 Haddington Road
Dublin 4, Ireland
Tel: (353) 1 667 7611 Fax: (353) 1 667 7622

Accra Office

Shankill House
21, 5th Circular Road
East Cantonments
Accra, Ghana
Tel: (233) 21 772516 Fax: (233) 21 777247

Transfer Agent

Computershare Trust Company of Canada
100 University Avenue, 8th Floor
Toronto, Ontario
Canada, M5J 2Y1

Exchange Listing

The Toronto Stock Exchange
Symbol: MOY
CUSIP: 62472V 100
Shares outstanding: 27,724,014
Shares fully diluted: 31,365,264

To contact the Company

In order to contact the company or to request to be added to our mailing list
please email info@moydow.com
website: www.moydow.com