

FORM 51-901F
QUARTERLY REPORT

Incorporated as part of: **SCHEDULE A**

ISSUER DETAILS:

Finlay Minerals Ltd.
Suite 912 - 510 West Hastings Street
Vancouver, BC V6B 1L8

Telephone: (604) 684-3099
Fax: (604) 684-3098

Contact Person:	James Tutton
Contact's Position:	Director
Contact Telephone Number:	(604) 684-3099
For the Year Ended:	March 31, 2004
Date of Report:	May 19, 200

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 the 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.

Signed:	"Robert F. Brown"
Director Full Name:	Robert F. Brown
Date Signed:	May 31, 2004

Signed:	"John Barakso"
Director Full Name:	John Barakso
Date Signed:	May 31, 2004

FINLAY MINERALS LTD.

FINANCIAL STATEMENTS

March 31, 2004

DE VISSER GRAY
CHARTERED ACCOUNTANTS

401 - 905 West Pender Street
Vancouver, BC Canada
V6C 1L6

Tel: (604) 687-5447
Fax: (604) 687-6737

NOTICE TO READER

We have compiled the balance sheet and statement of deferred property costs of Finlay Minerals Ltd. as at March 31, 2004 and the statements of operations and deficit and cash flows for the three-month period ended March 31, 2004 from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

"De Visser Gray"

CHARTERED ACCOUNTANTS

Vancouver, British Columbia
May 19, 2004

FINLAY MINERALS LTD.
 Balance Sheets
 As at
 (Unaudited - see Notice to Reader)

	March 31, 2004	December 31, 2003 <i>(audited)</i>
	\$	\$
ASSETS		
Current		
Cash and short-term deposits	2,015,066	2,232,448
Amounts receivable	43,626	40,472
Prepaid expense	16,000	1,100
	2,074,692	2,274,020
Deferred mineral property costs	1,241,395	1,214,789
Reclamation deposit	5,000	5,000
	3,321,087	3,493,809

LIABILITIES		
Current		
Accounts payable and accrued liabilities	24,659	155,651
Due to related parties (note 4)	1,133	23,949
	25,792	179,600

SHAREHOLDERS' EQUITY		
Share capital (note 3)	3,476,413	3,476,413
Contributed surplus (note 3(b))	46,108	46,108
Deficit	(227,226)	(208,312)
	3,295,295	3,314,209
	3,321,087	3,493,809

FINLAY MINERALS LTD.
Statements of Operations and Deficit
For the Three Month Periods Ended March 31,
(Unaudited - see Notice to Reader)

	2004	2003
	\$	\$
Expenses		
Advertising and promotion	2,188	-
Consulting	1,940	-
Insurance	600	-
Interest and bank charges	86	7,266
Investor relations	2,500	334
Office	1,665	1,552
Professional fees	2,347	8,669
Telephone	212	54
Travel and accomodation	2,428	-
Trust and filing fees	5,650	8,213
Interest and miscellaneous income	<u>(702)</u>	<u>(243)</u>
Net loss for the period	(18,914)	(25,845)
Deficit - beginning of period	<u>(208,312)</u>	<u>(108,027)</u>
Deficit - end of period	<u><u>(227,226)</u></u>	<u><u>(133,872)</u></u>
Loss per share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted-average number of common shares outstanding	<u>21,998,931</u>	<u>14,880,002</u>

FINLAY MINERALS LTD.
 Statements of Cash Flows
 For the Three Months Ended March 31,
(Unaudited - see Notice to Reader)

	2003	2003
	\$	\$
Cash provided by (used for):		
Operating Activities		
Net loss for the period	(18,914)	(25,845)
Changes in non-cash working capital components:		
Due to/from related parties	(22,816)	10,588
Prepaid expense	(14,900)	(131)
Amounts receivable	(3,154)	1,322
Accounts payable and accrued liabilities	(130,992)	(7,824)
	<u>(190,776)</u>	<u>(21,890)</u>
Investing Activity		
Deferred mineral property costs	<u>(26,606)</u>	<u>(26,269)</u>
Net cash used during the period	(217,382)	(48,159)
Cash - beginning of period	<u>2,232,448</u>	<u>268,379</u>
Cash - end of period	<u><u>2,015,066</u></u>	<u><u>220,220</u></u>

FINLAY MINERALS LTD.
Statements of Deferred Mineral Property Costs
For the Three Months Ended March 31, 2004
(Unaudited - see Notice to Reader)

	Balance December 31, 2003 \$	Net Expenditures \$	Balance March 31, 2004 \$	Balance March 31, 2003 \$
BRITISH COLUMBIA				
Atty and Pil Claims				
Acquisition	68,115	-	68,115	43,053
Assay, IP and linecutting	203,433	19,433	222,866	153,868
Camp accommodations and travel	368,265	1,323	369,588	180,987
Drilling	104,545	-	104,545	-
Equipment rentals	36,840	-	36,840	22,712
Field Office expense	20,925	-	20,925	4,136
Geological and geophysical	375,905	5,850	381,755	183,868
	<u>1,178,028</u>	<u>26,606</u>	<u>1,204,634</u>	<u>588,624</u>
Gold I, II and Spruce Claims				
Acquisition	401	-	401	401
Assay, IP and linecutting	2,945	-	2,945	2,945
Camp accommodations and travel	28,086	-	28,086	4,909
Field office expense	530	-	530	530
Geological and geophysical	4,799	-	4,799	4,799
	<u>36,761</u>	<u>-</u>	<u>36,761</u>	<u>13,584</u>
Total Mineral Property Costs	<u><u>1,214,789</u></u>	<u><u>26,606</u></u>	<u><u>1,241,395</u></u>	<u><u>602,208</u></u>

FINLAY MINERALS LTD.
Notes to the Financial Statements
March 31, 2004 and December 31, 2003

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company's major activity is the acquisition and exploration of mineral properties. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves. The Company does not generate cash flows from operations and has therefore relied principally upon the issuance of equity securities to finance its exploration activities. The Company intends to continue relying upon the issuance of equity securities to finance its operations and exploration activities to the extent that such instruments are issuable under terms acceptable to the Company. Accordingly, the Company's interim financial statements are presented on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

2. ACCOUNTING PRINCIPLES AND USE OF ESTIMATES

The accompanying unaudited interim financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. These interim financial statements should be read in conjunction with the Company's annual audited financial statements dated December 31, 2003. All material adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the interim periods have been reflected. The results for the three month period ended March 31, 2004 are stated utilizing the same accounting policies, and the methods of application of those policies are consistent with, those reflected in the Company's most recent annual financial statements, but these interim figures are not necessarily indicative of the results to be expected for the full year.

3. SHARE CAPITAL

- a) Authorized share capital consist of: 200,000,000 common shares without par value.
100,000,000 Class A preference shares
100,000,000 Class B preference shares

Issued

	Price Per Share \$	Number of shares	Proceeds \$
Issued at December 31, 2002		14,880,002	957,852
Private placement (flow-through shares)	0.35	1,751,429	603,838
Private placement	0.34	750,000	(2)228,700
Private placement (flow-through shares)	0.4	4,617,500	(3)1,686,023
Issued at December 31, 2003 and March 31, 2004		<u>21,998,931</u>	<u>3,476,413</u>

(1) Net of share issue costs of \$9,162

(2) Net of share issue costs of \$26,300

(3) Net of share issue costs of \$160,977

3. **SHARE CAPITAL** (continued)

b) Summary of stock options outstanding at March 31, 2004:

	Weighted-Average Exercise Price	Number Outstanding	Weighted-Average Remaining Contractual Life (Years)
	\$		
Balance - December 31, 2003	0.30	1,000,000	4.1
Granted		-	
Balance - March 31, 2004		<u>1,000,000</u>	3.9

The Company accounts for the stock options granted to directors and employees using the fair value method and has estimated a compensation benefit of \$Nil (December 31, 2003 - \$43,103) for the three month period ended March 31, 2004, using the Black-Scholes Option Pricing Model based on the following assumptions: a risk free interest rate Nil% (December 31, 2003 - 5%); expected life of 5 years; an expected volatility of Nil% (December 31, 2003 - 27%); and no expectation for the payment of dividends.

Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock. Changes in these assumptions can materially affect the fair value estimate and therefore it is management's view that the existing models do not necessarily provide a single reliable measure of the fair value of the Company's stock option grants.

c) Summary of warrants outstanding at March 31, 2004:

	Weighted-Average Exercise Price	Number Outstanding	Weighted-Average Remaining Contractual Life (Years)
	\$		
Balance - December 31, 2003	0.48	4,824,729	0.9
Granted		-	
Balance - March 31, 2004	0.48	<u>4,824,729</u>	0.6

4. **RELATED PARTY TRANSACTIONS**

During the three months ended March 31, 2004, the Company paid two directors and their private companies an aggregate of \$4,540 (December 31, 2003 - \$53,524) for exploration, rental and administration and management services. These fees were paid in the normal course of operations and are measured at their fair value as determined by management. At March 31, 2004, the Company owes two directors and their private companies an aggregate of \$808 (December 31, 2003 - \$6,020).

During the three-month period ended March 31, 2004, the Company incurred an aggregate of \$5,804 (December 31, 2003 - \$36,492) in legal expenses to a director and is owed \$325 (December 31, 2003 - \$17,929).

5. **COMMITMENTS**

At March 31, 2004, the Company is committed on a best efforts basis to incur approximately \$1,833,000 (December 31, 2003 - approximately \$1,859,000) in eligible exploration expenditures prior to December 31, 2004 in order to complete obligations entered into under flow-through share purchase agreements.

6. **SUBSEQUENT EVENTS**

The Company issued on April 7, 2004, 2,000,000 common shares at \$0.50 per share, of which 1,000,000 common shares were flow-through and 1,000,000 common shares were non-flow-through. The non-flow through shares have a half warrant attached and each whole warrants is exercisable into one common share at \$0.60 per share exercisable for one year.