

**RODINIA MINERALS INC.**  
**(FORMERLY DONNYBROOK RESOURCES INC.)**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2004 and 2003**

## AUDITORS' REPORT

**To the Shareholders of  
Rodinia Minerals Inc.  
(formerly Donnybrook Resources Inc.)**

We have audited the consolidated balance sheet of Rodinia Minerals Inc. (formerly Donnybrook Resources Inc.) as at December 31, 2004 and December 31, 2003 and the consolidated statements of income and deficit and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2004 and December 31, 2003 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

*N.I. Cameron Inc. (signed)*

Vancouver, British Columbia  
March 4, 2005

CHARTERED ACCOUNTANTS

**RODINIA MINERALS INC.**  
**(formerly Donnybrook Resources Inc.)**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2004 and 2003**

	<b>ASSETS</b>	
	<b>2004</b>	<b>2003</b>
<b>CURRENT</b>		
Cash	\$ 69,493	\$ 346
Accounts receivable	2,844	306
Prepaid expense	10,000	-
	82,337	652
<b>RESOURCE PROPERTIES (Note 5)</b>	374,281	-
	\$ 456,618	\$ 652

	<b>LIABILITIES</b>	
<b>CURRENT</b>		
Accounts payable (Note 9)	\$ 139,220	\$ 41,615
Loans payable (Note 6)	135,535	675
	274,755	42,290

**SHAREHOLDERS' EQUITY (DEFICIT)**

<b>CAPITAL STOCK (Notes 5, 7 and 12)</b>		
Authorized:		
100,000,000 common shares, without par value		
Issued and fully paid:		
5,541,995 common shares (2003 – 3,683,595)	13,179,357	12,793,357
<b>CONTRIBUTED SURPLUS (Note 8)</b>	273,892	73,857
<b>DEFICIT</b>	(13,271,386)	(12,908,852)
	181,863	(41,638)
	\$ 456,618	\$ 652

**SUBSEQUENT EVENT (Note 12)**

**APPROVED ON BEHALF OF THE BOARD:**

/s/ Donald Morrison Director

/s/ Donald Mosher Director

The accompanying notes are an integral part of these financial statements

**RODINIA MINERALS INC.**  
**(formerly Donnybrook Resources Inc.)**  
**CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT**  
**For the Years Ended December 31, 2004 and 2003**

	<b>2004</b>	<b>2003</b>
<b>REVENUE</b>		
Interest income	\$ 1,035	\$ 12
<b>EXPENSES</b>		
Stock-based compensation (Note 7)	\$ 183,770	\$ 73,857
Accounting and legal	65,051	12,263
Management fees (Note 9)	35,500	28,264
Filing fees and services	19,375	19,718
Travel, promotion and shareholder information	15,404	-
Finder's fee	14,025	-
Consulting fees (Note 9)	11,623	-
Office, rent and sundry	9,310	9,109
Transfer agent fees	3,505	5,114
Directors fees (Note 9)	3,000	-
Communications	2,319	4,370
Bank charges and interest	687	1,744
	<b>363,569</b>	<b>154,439</b>
<b>NET LOSS FOR THE YEAR</b>	<b>(362,534)</b>	<b>(154,427)</b>
<b>DEFICIT AT BEGINNING OF YEAR</b>	<b>(12,908,852)</b>	<b>(12,754,425)</b>
<b>DEFICIT AT END OF YEAR</b>	<b>\$ (13,271,386)</b>	<b>\$ (12,908,852)</b>
 <b>Loss per share</b>	 <b>\$ (0.08)</b>	 <b>\$ (0.02)</b>

The accompanying notes are an integral part of these financial statements.

**RODINIA MINERALS INC.**  
**(formerly Donnybrook Resources Inc.)**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Years Ended December 31, 2004 and 2003**

	2004	2003
<b>OPERATING ACTIVITIES</b>		
Net loss for the year	\$ (362,534)	\$ (154,427)
Add (deduct): items not involving cash		
Stock-based compensation	183,770	73,857
	(178,764)	(80,570)
Changes in non-cash working capital		
(Increase) decrease in accounts receivable	(2,538)	1,058
(Increase) decrease in prepaid expense	(10,000)	
Increase (decrease) in accounts payable	97,605	(1,168)
	(93,697)	(80,680)
<b>INVESTING ACTIVITIES</b>		
Resource property recoveries (expenditures)	(374,281)	-
	(374,281)	-
<b>FINANCING ACTIVITIES</b>		
Capital stock issued for cash	386,000	120,000
Increase (decrease) in loans payable	151,125	(39,925)
	537,125	80,075
<b>NET INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	<b>69,147</b>	<b>(605)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>346</b>	<b>951</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 69,493</b>	<b>\$ 346</b>

The accompanying notes are an integral part of these financial statements.

**RODINIA MINERALS INC.**  
**(formerly Donnybrook Resources Inc.)**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2004 and 2003**

**1. CONSOLIDATION**

These financial statements include the accounts of the Company and its wholly-owned subsidiary, Donnybrook Platinum Resources Inc. The subsidiary was incorporated in the State of Wyoming, U.S.A. on December 15, 1999.

**2. CHANGE OF NAME**

Effective August 13, 2003, the Company has changed its name from Donnybrook Resources Inc. to Rodinia Minerals Inc.

**3. NATURE OF OPERATIONS**

The Company is in the business of exploring and acquiring its resource properties. As at December 31, 2004, the Company had signed a Letter of Intent for an option agreement to acquire a mineral property in Arizona.

The recoverability of amounts shown for resource properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from the properties or proceeds from disposition.

**4. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates, which have been made using careful judgement.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

**(a) *Resource properties***

Acquisition costs of resource properties together with direct exploration and development expenditures thereon are deferred in the accounts. When and if production is attained, these costs will be amortized. When deferred expenditures on individual producing properties exceed the estimated net realizable value, the properties are written down to the estimated value. Costs relating to properties abandoned are written off when the decision to abandon is made.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2004 and 2003**

**4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(b) Going concern**

The accompanying financial statements have been presented assuming the Company will continue as a going concern. At December 31, 2004, the Company had accumulated \$13,271,386 in losses and had no revenue-producing operations. At the date of this report, the Company has almost no liquidity and its ability to continue as a going concern is dependent upon its ability to raise additional capital or merge with a revenue producing venture partner. These matters raise substantial doubt about the Company's ability to continue as a going concern. No adjustments have been made in the accompanying financial statements to provide for this uncertainty.

**(c) Stock-based compensation**

The Company grants options in accordance with the policies of the TSX Venture Exchange. Effective January 1, 2002, the Company adopted the new CICA Handbook Section 3870 "Stock-Based Compensation and Other Stock-Based Payments", of accounting for options and other stock-based compensation payments. This section requires the adoption of the fair value method effective January 1, 2004 and encourages earlier adoption of this requirement. Accordingly, the Company has adopted, on a prospective basis, the fair value method of accounting for all options, warrants and other stock-based compensation payments issued during fiscal 2003.

**5. RESOURCE PROPERTIES**

Resource properties consist of:

	<b>2004</b>	<b>2003</b>
Arizona Property		
Property deposit	\$ 42,500	\$ -
Claims	39,334	-
Consulting	56,705	-
Site visits	6,088	-
Reports and maps	12,712	-
Staking program	164,656	-
Equipment rental	34,398	-
General and administration	16,625	-
Field expenses	1,263	-
Total Resource Properties	\$ 374,281	-

**RODINIA MINERALS INC.**  
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**5. RESOURCE PROPERTIES (Cont'd)**

Arizona Property

On October 26, 2004 the Company entered into a Letter of Intent with Cooper Minerals, Inc. ("Cooper") with the intention to enter into a formal option agreement which will provide for the acquisition by the Company, through its wholly owned subsidiary, Donnybrook Platinum Resources Inc, a Wyoming corporation ("DPRI), of a 100% interest in the Workman Creek Uranium Deposit Project. The Company has been granted the sole and exclusive irrevocable right and option to acquire, through DPRI, a 100% interest in and to the claims, subject only to a 3% NSR, and in and to the data all on the terms and subject to the conditions set forth. To exercise the Option, the following cash payments must be made at the times specified:

1. On execution of the Letter of Intent (LoI), \$42,500 to Cooper (paid);
2. On the earlier of (1) 60 days after the date of the LoI and (2) 5 business days after the acceptance by the TSXV of the Claims as a "Tier 1 Property", \$42,500 to Cooper, as reimbursement of the balance of expenses (paid after year end);
3. On the "Closing Date", \$50,000 to Cooper;
4. The funds necessary to initiate the preparatory work to carry out the first phase of the exploration program recommended in the Report must be advanced to Cooper upon receipt by the Company of an acceptable budget with respect to such preparatory work, and the balance of funds necessary to carry out the first phase of such exploration program (currently estimated to be \$200,000) must be advanced to Cooper within 5 business days of receipt by the Company of copies of all permits required to permit the balance of such first phase to be carried out;
5. An aggregate US\$2,000,000 in expenditures in connection with maintaining, exploring, developing or equipping any one or more of the Claims (or any additional properties covered by section 6 of the QD&RRI ("Additional Properties")) for commercial production must be incurred as follows:
  - i. on or before the first anniversary of the date of this LoI, not less than an aggregate US\$350,000;
  - ii. on or before the second anniversary of the date of this LoI, not less than an aggregate US\$850,000;
  - iii. on or before the third anniversary of the date of this LoI, not less than an aggregate US\$1,400,000;
  - iv. on or before the fourth anniversary of the date of this LoI, not less than an aggregate US\$2,000,000;

- provided, that, until the earlier of (1) a minimum aggregate US\$1 million of such expenditures has been incurred in respect of the Claims and (2) a bankable feasibility study has been received in respect of the Claims, such expenditures will only be incurred in respect of the Claims;
6. On the Closing Date, 2,500,000 of the Company's Common Shares must be issued to the direction of Cooper;

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**5. RESOURCE PROPERTIES (Cont'd)**

Arizona Property (cont'd)

7. On the Closing Date, the Company must accept the subscription (at a subscription price of \$10), by way of private placement subscription agreement in standard form executed by the "Vendors", for, and issue to the "Vendors", non-transferable share purchase warrants (the "Warrants") entitling the purchase by each of the two "Vendors" of 750,000 Common Shares of the Company at a price per share equal to the greater of (1) \$0.01 in excess of the closing price of the Company's shares on the TSXV on the day prior to the announcement of a "Transaction" (as that term is defined in the Underlying Agreement), and (2) the price of any financing completed by the Company concurrently with the Transaction, exercisable for a period of 5 years from the Closing Date; and
8. On the Closing Date, all of Cooper's obligation under the Underlying Agreement, including, without limitation, the obligation to make Advance Royalty Payments under the QD&RRI, must be assumed.

The closing date will occur 5 business days after the last of the 3 following dates:

- i. Receipt of TSX Venture Exchange ("TSVX") acceptance for filing of the Company's graduation to Tier 1 on the TSVX;
- ii. Receipt of discretionary order of the BC Securities Commission permitting the issuance of the Company's shares to the directors of Cooper in circumstances where the claims are being acquired by DPRI;
- iii. Receipt of TSVX acceptance for filing of the claims as a "Tier 1 property".

The Company has also agreed to a finder's fee of up to 227,917 common shares in respect to this transaction if it closes.

During the year, the Company staked an additional 161 mineral claims in the same area.

**6. LOANS PAYABLE**

	<b>2004</b>	<b>2003</b>
Unsecured bridge loan payable, due on demand	\$ -	\$ -
Unsecured loans payable, non-interest bearing, no specified terms of repayment	<b>135,535</b>	<b>675</b>
	<b>\$ 135,535</b>	<b>\$ 675</b>

The loans (\$151,800 – accepted by the TSX on October 19, 2004) are for a one year term, unsecured and non-interest bearing. The lenders have the right to convert their loans into units at a deemed value of \$0.30 per unit on the earlier of March 17, 2005 or the Company graduating to Tier-2 of the TSX Venture Exchange. Each unit consists of one common share of the Company and one non-transferable share purchase warrant entitling the holder to purchase an additional share of the Company at an exercise price of \$0.30 per share for a period of one year from the date of the loan. A finder's fee of 46,750 shares valued at \$14,025 is payable with respect to this transaction.

As of December 31, 2004, \$16,265 of the loan was classified as contributed surplus to recognize the value of the conversion feature of the loans

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**7. CAPITAL STOCK**

(a) Changes in capital stock during the years ended December 31 were as follows:

	2004		2003	
	Number of Shares	Amount	Number of Shares	Amount
<b>Balance, beginning of year</b>	<b>3,683,595</b>	<b>\$ 12,793,357</b>	13,017,975	\$ 12,613,357
<b>Issued during the year:</b>				
- debt settlement			400,000	60,000
			13,417,975	12,673,357
- 1:5 share rollback			(10,734,380)	-
For cash				
- Private Placement @ \$0.18	<b>800,000</b>	<b>144,000</b>	1,000,000	120,000
- Private Placement @ \$0.25	<b>824,000</b>	<b>206,000</b>		
- Finders' fee	<b>64,400</b>			
- Options exercised @ \$0.25	<b>120,000</b>	<b>30,000</b>		
- Warrants exercised @ \$0.12	<b>50,000</b>	<b>6,000</b>		
<b>Balance at end of year</b>	<b>5,541,995</b>	<b>\$ 13,179,357</b>	3,683,595	\$ 12,793,357

- (b) During the year, the Company issued 800,000 units at a price of \$0.18 per unit. Each unit consists of one common share and one common share purchase warrant entitling the holder to purchase an additional common share at a price of \$0.23 per share for a period of one year. Subsequent to the year end, 200,000 of these warrants were exercised.
- (c) During the year, the Company issued 824,000 units at a price of \$0.25 per unit. Each unit consists of one common share and one common share purchase warrant entitling the holder to purchase an additional common share at a price of \$0.35 per share for a period of one year.
- (d) During the year, the Company engaged Haywood Securities Inc. ("Haywood") to conduct a brokered private placement of 2,000,000 units at a price of \$0.65 per unit. Each unit (a "Unit") will consist of one common share of the Company and one-half share purchase warrant. Each full warrant will entitle the holder to purchase one additional common share of the Company at a price per common share of \$0.80 in the first year and \$0.90 in the second year. Haywood will receive a commission equal to 7.5% of the proceeds of the offering, payable in cash or Units. Haywood will also receive warrants (the "Agent's Warrants") equal to 10% of the number of Units sold under the offering, each Agent's Warrant being convertible into one Unit at a price of \$0.65, and a corporate finance fee of 30,000 Units for services rendered in connection with the offering.

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**7. CAPITAL STOCK (Cont'd)**

(e) During the prior year, the Company completed a private placement of 1 million shares and 1 million share purchase warrants. Each share purchase warrant entitles the holder to purchase an additional common share for \$0.12 if exercised on or before September 8, 2004 and \$0.15 per share thereafter up to and including September 8, 2005. During the year, 50,000 of those warrants were exercised for proceeds of \$6,000. Subsequent to the year end, an additional 200,000 warrants were exercised for proceeds of \$30,000.

(f) Stock Option Plan

The shareholders have approved a Stock Option Plan (the "Plan") that provides for the issuance of up to 10% of the Company's issued and outstanding shares to eligible employees, directors and services providers of the Company and its subsidiaries. The Plan authorizes the granting of options to purchase shares of the Company's common stock at an option price equal to or greater than the closing price of the shares on the day preceding the award date. The options generally partially vest with the recipient at the time of granting, and have a maximum term of 5 years. As at December 31, 2004, all options were fully vested.

(g) Stock Options

During the years ended December 31, 2004 and 2003, stock options were granted, exercised and expired/cancelled as follows:

	2004		2003	
	Number of Options	Weighted Average Price	Number of Options	Weighted Average Price
Balance – beginning of year	273,360	\$0.25	180,800	\$0.75
Granted	175,000	\$0.30	273,360	\$0.25
	93,000	\$0.60		
	120,000	\$1.00		
Exercised/expired	(120,000)	\$0.25	(180,800)	\$0.75
	<u>541,360</u>	<u>\$0.49</u>	<u>273,360</u>	<u>\$0.25</u>

The number of options and the weighted average exercise price of options issued prior to 2003 have been adjusted to reflect the 1:5 rollback of shares.

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**7. CAPITAL STOCK (Cont'd)**

(g) Stock Options (cont'd)

During the year ended December 31, 2004, the Company granted 388,000 stock options to directors and consultants. The fair value of these options have been estimated using the Black-Scholes option pricing model using a risk-free interest rate of 2.0%, an expected life of 2-5 years, an imputed dividend yield of 0%, and a volatility assumption as indicated below:

Number of Options	Exercise Price	Grant Date	Value per share	Total Value	Volatility Assumption
175,000	\$ 0.30	April 13, 2004	\$ 0.29	\$ 50,750	134%
96,000	\$ 0.60	November 5, 2004	\$ 0.68	63,420	94%
120,000	\$ 1.00	November 29, 2004	\$ 0.58	69,600	100%
				<u>\$ 183,770</u>	

(h) Share Purchase Warrants

	2004		2003	
	Number of Warrants	Weighted Average Price	Number of Warrants	Weighted Average Price
Balance – beginning of year	1,000,000	\$0.15	150,000	\$3.33
Granted	925,216	\$0.23	1,000,000	\$0.15
	888,400	\$0.35		
Exercised/expired	(50,000)	\$0.15	(150,000)	\$3.33
	<u>2,763,616</u>	<u>\$0.24</u>	<u>1,000,000</u>	<u>\$0.15</u>

**8. CONTRIBUTED SURPLUS**

	2004	2003
Opening balance	\$ 73,857	\$ -
Loan conversion (Note 6)	16,265	-
Employee and director stock options	<u>183,770</u>	<u>73,857</u>
Closing balance	<u>\$ 273,892</u>	<u>\$ 73,857</u>

**9. RELATED PARTY TRANSACTIONS**

During the year, the Company was charged \$35,500 (2003 - \$27,500) by a director of the Company for management fees; \$6,000 (2003 - Nil) by a director for consulting fees; \$3,000 (2003 - Nil) by 3 directors for directors' fees. In addition, the director charged the Company \$10,000 (2003 - \$ 9,600) for rent and telephone expenses. The transactions were recorded at the exchange amount.

Included in accounts payable is \$Nil (2003 - \$18,200) payable to a director.

**RODINIA MINERALS INC.**  
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**10. FINANCIAL INSTRUMENTS AND CONCENTRATIONS OF CREDIT RISK**

The Company's financial instruments consist of cash, accounts receivable, accounts payable and loans payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value.

**11. INCOME TAXES**

The Company has non-capital loss carry forwards available to reduce future taxable income as follows:

<u>Year of Expiry</u>	<u>Amount</u>
2005	177,512
2006	205,710
2007	248,352
2008	106,347
2009	96,312
2010	80,593
2014	<u>178,785</u>
	<u>\$ 1,093,611</u>

The possible tax benefit of these losses is not reflected in these financial statements.

The Company has filed tax returns showing Canadian Exploration Expenditures totaling \$1,105,663 and Canadian Development Expenditures totaling \$1,248,697, which are available to reduce future income taxes.

**12. SUBSEQUENT EVENTS**

Subsequent to the year-end, the Company arranged a \$75,000 loan. The loan is for a period of 30 days and bears an interest rate of 10% per annum.

This is an arm's length transaction. A finder's fee of \$7,500 will apply in accordance with TSX Venture Exchange (the "Exchange") policies. In addition, for providing this facility to the Company, the lender will receive a bonus of 17,857 common shares, in the maximum number allowed by Exchange policies.

The funds will be used for working capital purposes and it is anticipated that the loan will be repaid out of the proceeds of the Company's private placement announced November 24, 2004. The private placement forms part of the Company's reactivation application which is currently being reviewed by the Exchange.

On March 2, 2005, the \$75,000 loan was paid off.

Also subsequent to the period, the Company closed on the private placement of 2 million shares for gross proceeds of \$1,300,000 (See Note 7d).