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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER PURSUANT TO RULE 13a-16 AND 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the Month of _____

January 2003

DESERT SUN MINING CORP.

(Name of Registrant)

65 Queen Street West, Suite 810, P.O. Box 67, Toronto, Ontario, Canada M5H 2M5
Executive Offices

- 1. Form 51-901F Schedule B & C, Quarterly Report (Schedule A, Audited Financial Statements incorporated by reference to Form 20F/A filed with the Securities Exchange Commission on January 23, 2004) August 31, 2002**
- 2. Form 51-901F Schedule A, Interim Financial Statements, and B & C, Quarterly Report November 30, 2002**
- 3. Form 51-901F Schedule A, Interim Financial Statements, and B & C, Quarterly Report February 28, 2003**
- 4. Form 51-901F Schedule A, Interim Financial Statements, and B & C, Quarterly Report May 31, 2003**

Indicate by check mark whether the Registrant files annual reports under cover of Form 20-F or Form 40-F. Form 20-F xxx
Form 40-F ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under Securities Exchange Act of 1934. Yes ____
No xxx

SEC 1815 (11-2002) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the
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Form 51-901F

BRITISH COLUMBIA SECURITIES COMMISSION

DESERT SUN MINING CORP.
Form 51-901F
August 31, 2002

Issuer Details

NAME OF ISSUER DESERT SUN MINING CORP.		FOR THE YEAR ENDED AUGUST 31, 2002	DATE OF REPORT MM/DD/YY DECEMBER 10, 2002
ISSUER ADDRESS 65 QUEEN STREET WEST, SUITE #810			
CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M5H 3M5	ISSUER FAX NO. (416) 861-0341
CONTACT NAME IAN M. MacNEILY		CONTACT POSITION CFO	ISSUER TELEPHONE NO. (416) 861-9622
CONTACT TELEPHONE NO. (416) 861 - 0341 X 232		CONTACT EMAIL ADDRESS imacneily@desertsunmining.com	
WEB SITE ADDRESS www.desertsunmining.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 "STAN BHARTI"	FED/T FULL NAME "STAN BHARTI"	DATE SIGNED MM/DD/YY DECEMBER 10, 2002
DIRECTOR'S SIGNATURE "GERALD MCCARVILL"	FED/T FULL NAME "GERALD MCCARVILL"	DATE SIGNED MM/DD/YY DECEMBER 10, 2002
DIRECTOR'S SIGNATURE "PETER BOJTOS"	FED/T FULL NAME "PETER BOJTOS"	DATE SIGNED MM/DD/YY DECEMBER 10, 2002
DIRECTOR'S SIGNATURE "DR. WILLIAM PEARSON"	FED/T FULL NAME "DR. WILLIAM PEARSON"	DATE SIGNED MM/DD/YY DECEMBER 10, 2002
DIRECTOR'S SIGNATURE "KEN TAYLOR"	FED/T FULL NAME "KEN TAYLOR"	DATE SIGNED MM/DD/YY DECEMBER 10, 2002

For the current year-to-date period



1. Analysis of expenses

EXPENSES

Refer to the consolidated statements of operations and deficit in the audited August 31, 2002 financial statements

MINING INTERESTS

Refer to Note 3 in the audited August 31, 2002 financial statements

2. Analysis of related party transactions.

Refer to Note 4 in the audited August 31, 2002 financial statements

3. Summary of securities issued and options granted during the period

(a) Summary of securities issued during the period

Refer to Note 5(a) in the August 31, 2002 audited financial statements

(b) Summary of options granted during the period

Date	Number	Name of Option	Exercise Price \$	Expiry Date
21-May-02	650,000	Stan Bharti	0.28	May 21/07
11-Jul-02	450,000	Gerry McCarvill	0.38	Jul 11/07
11-Jul-02	50,000	Jim Beqaj	0.38	Jul 11/07
11-Jul-02	50,000	Ken Taylor	0.38	Jul 11/07
11-Jul-02	100,000	Peter Bojtos	0.38	Jul 11/07
11-Jul-02	50,000	Godfrey Wilson	0.38	Jul 11/07
11-Jul-02	100,000	Bill Pearson	0.38	Jul 11/07
11-Jul-02	100,000	Eric Edwards	0.38	Jul 11/07
11-Jul-02	25,000	Mike Hines	0.38	Jul 11/07
11-Jul-02	50,000	Kam Gill	0.38	Jul 11/07
11-Jul-02	50,000	Yvonne Reynolds	0.38	Jul 11/07
11-Jul-02	10,000	Pamela Stradwick	0.38	Jul 11/07
11-Jul-02	10,000	Nadine Guy	0.38	Jul 11/07
	<u>1,695,000</u>			

Note

Note - The stock options for Eric Edwards were cancelled after the year end.

DESERT SUN MINING CORP.

Form 51-901F, Schedule B: Supplementary Information

August 31, 2002

4. Summary of securities as at the end of the reporting period

(a) Description of share capital

Authorized - 50,000,000 common shares without par value

(b) Number and recorded value of share capital

16,825,108 common shares valued at \$7,132,582

(c) Summary of options and warrants at period end

Options

Refer to Note 5(b) of the August 31, 2002 audited financial statements.

Warrants

Refer to Note 5(d) and Note 5(e) of the August 31, 2002 audited financial statements

(d) Number of shares in each class of shares subject to escrow or pooling agreements

None

5. List of names of the directors and officers

Stan Bharti
Gerald McCarvill
Kam Gill
Peter Bojtos
Dr. William Pearson
Ken Taylor
Ian M. MacNeily
Mark Brennan



DESERT SUN MINING CORP.

Form 51-901F – Schedule C: Management Discussion and Analysis

For the Year Ended August 31, 2002.

General

Desert Sun Mining Corp. is involved in the exploration and development of precious metals projects. The Corporation is currently not in production on any of its properties.

In 2002, the Corporation substantially reorganized its operations and appointed new officers and directors. In May 2002, Desert Sun acquired an option to earn a 51% interest in the Jacobina Mine and related mineral concessions located near Jacobina, Brazil. The option agreement required the Corporation to pay \$25,000 upon execution of the agreement and requires Desert Sun Mining to spend US\$2 million on the Jacobina property prior to December 31, 2004 to earn a 51% interest.

The Jacobina project has been the focus of the Corporation's activities since that time. Prior to May 2002, the Corporation was inactive in the previous year.

In September 2002, the Corporation entered into a Memorandum of Understanding ("MOU") whereby Desert Sun can also acquire the remaining 49% interest in the Jacobina property by paying \$100,000 upon execution of the MOU and an additional \$5 million within 90 days upon earning the initial 51% interest in the property. Up to 50% of the \$5 million can be in the equivalent value of common shares of Desert Sun at the option of the vendor. In August 2002, the Corporation raised \$2 million and began a Phase I drilling program in September 2002.

Results of Operations

For the year ended August 31, 2002, the Corporation invested \$36,000 (US\$23,000) in mineral properties, all of it relating to the Jacobina property. The investment in the Jacobina property was comprised of:

Acquisition costs (option payment)	\$25,000
Camp accommodation and travel	1,677
Geological and geophysical	9,000
Office and administration	<u>159</u>
	<u>\$35,836</u>

The Corporation wrote-off its investment in mineral properties relating to the Tubutama Borate project in Mexico, incurring a non-cash charge of \$23,249 during the year.

For the year ended August 31, 2002, the Corporation had a net loss of \$125,000 (\$0.01 per share) compared to a net loss of \$39,000 (\$0.001 per share) for the same period in 2001. The increase in expenses occurred primarily in the fourth quarter as the

AMENDED AND RESTATED

Corporation's activities were restructured, the Jacobina property option acquired and a management team began being assembled. Significant increases in operating expenses occurring were as follows:

Management fees increased to \$33,000 in 2002 from \$18,000 in 2001 as a President was appointed and secretarial support was added in the fourth quarter of 2002.

Consulting fees increased to \$26,735 from nil in 2001 as the Corporation had two independent technical consultants review the property and report on it. **Travel and promotion expenses** increased to \$68,516 from \$586 most of which occurred in the last quarter of 2002 due to the acquisition of the Jacobina property and the resulting dissemination of information of the property to potential investors in the Corporation.

Professional fees increased to \$28,307 from \$17,312, most of the fees being incurred in the last quarter associated with legal fees involved in the acquisition of the Jacobina property. **Office and miscellaneous expenses** increased in 2002 to \$17,190 from \$5,519 as the Corporation setup a Toronto office in the fourth quarter as its activities were restructured and operations moved to Toronto.

Financial Conditions, Liquidity and Capital Resources

As the Corporation has not begun production on any of its properties, the Corporation does not have any cash flow from operations. The Corporation receives cash for use in operations from issuing common shares, sales of selected assets and investment income.

During the year ended August 31, 2002, the Corporation issued 500,000 common shares for gross proceeds of \$100,000 and also issued 789,000 common shares for gross proceeds of \$94,715 as a result of stock options being exercised.

In August 2002, the Corporation issued five million Special Warrants through a private placement for gross proceeds of \$2,000,000. Each warrant was convertible, for no additional consideration, into one common share of the Corporation and also had 0.60 of a non-transferable common share purchase warrant attached which entitles the holder of each full purchase warrant to acquire one additional common share of the Corporation for \$0.50 prior to August 3, 2004. The private placement closed on August 2, 2002 with \$1.5 million, with the remaining \$400,000 closing on August 26th and September 11th (\$100,000).

As at August 31, 2002, the Corporation had cash and cash equivalents totaling \$1.7 million, and common shares issued and outstanding of 16.8 million. The Corporation had no significant debt outstanding at year-end.

Future Prospects

The Corporation will continue to focus its efforts on the exploration and development of the Jacobina property. The ability of the Corporation to continue operations beyond 2003 is dependent upon obtaining the necessary financing to develop the Jacobina project and/or the realization of proceeds from the sale of this property.

DESERT SUN MINING CORP.
CONSOLIDATED BALANCE SHEETS
(PREPARED BY MANAGEMENT)

	November 30, 2002 (Unaudited)	August 31, 2002 (Audited)
<hr/>		
Assets		
Current		
Cash and cash equivalents	\$ 1,076,487	\$ 1,735,139
Accounts receivable	28,437	6,652
Prepaid expense	<u>3,418</u>	<u>34,661</u>
	1,108,342	1,776,452
Capital assets	9,058	-
Resource property costs	<u>473,911</u>	<u>35,836</u>
	<u>\$ 1,591,311</u>	<u>\$ 1,812,288</u>
<hr/>		
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ <u>19,300</u>	\$ <u>15,970</u>
Shareholders' Equity		
Share capital (Note 2)	7,146,297	7,132,582
Special Warrants (Note 4)	1,972,475	1,872,475
Contributed surplus (Note 3)	42,000	-
Deficit	<u>(7,588,761)</u>	<u>(7,208,739)</u>
	<u>1,572,011</u>	<u>1,796,318</u>
	<u>\$ 1,591,311</u>	<u>\$ 1,812,288</u>
<hr/>		

Responsibility for Financial Statements

The accompanying financial statements for Desert Sun Mining Corp. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the August 31, 2002 audited financial statements. Only changes in accounting policies have been disclosed in these financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependant upon future events. Therefore, estimates and approximations have been made using careful judgement. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

See notes to the consolidated financial statements

DESERT SUN MINING CORP.
(Prepared by Management) (Unaudited)

Three Months Ended
November 30,
2002 2001

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

Expenses		
Management and administration services	\$ 154,098	\$ 4,500
Amortization	232	320
Shareholders' information	27,861	
Compensation expense (Note 3)	42,000	-
Travel and promotion	64,733	-
Professional fees	9,933	1,000
Office expenses, setup and general and administrative	100,298	76
Foreign exchange gain	(6,946)	-
Transfer agent fees	<u>1,215</u>	<u>173</u>
	393,424	6,069
Interest income	<u>(13,402)</u>	<u>(5)</u>
Net loss for the period	380,022	6,064
DEFICIT, beginning of period	<u>(7,208,739)</u>	<u>(7,083,318)</u>
DEFICIT, end of period	<u>\$ (7,588,761)</u>	<u>\$ (7,089,382)</u>
<hr/>		
Basic and fully diluted loss per share (Note 6)	\$ 0.02	\$ 0.00

CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash Provided by (Used in):

OPERATING ACTIVITIES

Loss for the period	\$ (380,022)	\$ (6,064)
Adjustment for items not involving cash:		
Compensation expense (Note 3)	42,000	-
Amortization	232	320
Changes in non-cash working capital relating to operations	<u>12,788</u>	<u>5,757</u>
	<u>(325,002)</u>	<u>13</u>

INVESTING ACTIVITIES

Resource property costs	(438,075)	-
Acquisition of capital assets	<u>(9,290)</u>	<u>-</u>
	<u>(447,365)</u>	<u>-</u>

FINANCING ACTIVITIES

Issuance of special warrants	100,000	-
Exercise of stock options	<u>13,715</u>	<u>-</u>
	<u>113,715</u>	<u>-</u>

CHANGE IN CASH AND CASH EQUIVALENTS	(658,652)	13
CASH AND CASH EQUIVALENTS, beginning of period	<u>1,735,139</u>	<u>(7)</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 1,076,487</u>	<u>\$ 6</u>

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

THREE MONTHS ENDED NOVEMBER 30, 2002

1. ACCOUNTING POLICIES

The management of Desert Sun Mining Corp. (the "Company") have prepared these consolidated financial statements in accordance with Canadian generally accepted accounting principles.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited consolidated financial statements. Operating results for the three months ended November 30, 2002 may not be indicative of the results that may be expected for the full year ending August 31, 2003.

These statements should be read in conjunction with the audited financial statements for the year ended August 31, 2002, except for the following:

STOCK BASED COMPENSATION

Effective January 1, 2002, the Company adopted the recommendations of the Canadian Institute of Chartered Accountants Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. This Section defines recognition, measurement and disclosure standards for stock-based compensation to non-employees and employees. Under these new standards, all stock-based payments made to non-employees must be systematically accounted for in the enterprise's financial statements. These standards define a fair value-based method of accounting and encourage entities to adopt this method of accounting for its stock-based employee compensation plans. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and should be recognized over the related service period. An entity that does not adopt the fair value method of accounting for its awards granted to employees is required to include in its financial statements pro forma disclosures of net earnings and earnings per share as if the fair value method of accounting had been applied. The Company has chosen the latter alternative and the required pro forma information is presented in Note 3.

2. SHARE CAPITAL

- a) Authorized - 50,000,000 common shares without par value
- b) Issued

	Number of Shares	\$
Beginning balance, August 31, 2002 (audited)	16,825,108	7,132,582
Exercise of stock options for cash	114,290	13,715
Ending balance, November 30, 2002 (unaudited)	16,939,398	7,146,297

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

THREE MONTHS ENDED NOVEMBER 30, 2002

3. Stock options

The following summarizes the stock option activity during the three months ended November 30, 2002:

	Number of options	Weighted Average Exercise Price
Opening balance, August 31, 2002 (audited)	1,809,290	\$ 0.33
Granted	896,000	0.54
Exercised	(114,290)	0.12
Cancelled	(100,000)	0.38
Balance, November 30, 2002 (unaudited)	2,491,000	\$ 0.44

As of November 30, 2002, the following options to acquire common shares were outstanding:

Expiry Date	Number of Options	Exercise Price
May 21, 2007	650,000	\$0.28
July 11, 2007	945,000	0.38
Sept 16, 2007	332,000	0.40
Sept 16, 2007	132,000	0.60
Sept 16, 2007	132,000	0.80
Oct 15, 2007	300,000	0.60
	2,491,000	

STOCK OPTION COMPENSATION ADJUSTMENT

The Company applies the intrinsic value based method of accounting for stock-based compensation awards to employees and accordingly no compensation cost is recognized. Had stock-based compensation for 796,000 options granted to employees under the Plan since January 1, 2002 been determined on the basis of fair value at the date of grant in accordance with the fair value method of accounting for stock-based compensation, the Company's pro forma net loss and loss per share for the three months ended November 30, 2002 would have been as follows:

	Loss	Loss Per Share
As reported	\$ 382,522	\$ 0.02
Pro forma	\$ 709,222	\$ 0.04

For purposes of the above calculations, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used for grants: dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 4.4% and expected life of 5 years.

Effective January 1, 2002, the Company applied the fair value method of accounting for stock based compensation awards to non-employees and accordingly \$42,000 was recorded as consulting expense and contributed surplus relating to 100,000 options granted to non-employees in October 2002. For purposes of this calculation, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used for the grant: dividend yield of 0%, expected volatility of 100%, risk-free interest rate of 4.4% and expected life of 5 years.

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

THREE MONTHS ENDED NOVEMBER 30, 2002

4. Warrants outstanding

(a) Special Warrants

Expiry Date	Number of Warrants	Price
August 1, 2004	5,000,000	\$0.40

The Company received a total of \$1,972,475 in net proceeds for the issuance of the special warrants. These warrants are convertible, for no additional consideration, into one share of the company. Each special warrant has attached 0.60 of a non-transferrable common share purchase warrant, with each whole purchase warrant entitling the holder to acquire an additional common share for \$0.50 within two years of the issuance of the warrant, expiring August 3, 2004.

(b) Warrants

Expiry Date	Number of Warrants	Price
May 21, 2004	500,000	\$0.25 or \$0.28

5. INCOME TAXES

The estimated taxable income for the period is nil. Based upon the level of historical taxable income it cannot be reasonably estimated at this time if it is more likely than not the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values have been reduced by an equivalent estimated taxable temporary difference valuation allowance. The estimated taxable temporary difference valuation allowance will be adjusted in the period that it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized.

For further information on the Company's actual losses for tax purposes, refer to the August 31, 2002 audited financial statements. The benefit of these losses and the estimated loss for the period ended have not been recognized in these unaudited consolidated financial statements.

6. BASIC AND FULLY DILUTED LOSS PER SHARE

Basic and fully diluted loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period.

The effect of common share purchase options and warrants on the net loss is not reflected because to do so would be anti-dilutive.

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

THREE MONTHS ENDED NOVEMBER 30, 2002

7. RELATED PARTY TRANSACTIONS

The Company paid its President and a private company that he controls an aggregate of \$79,599 for management fees, rent, consulting, administrative services, and expense reimbursements.

The Company paid consulting fees of \$65,000 to officers and directors of the Company.

All transactions with related parties were measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.

SUPPLEMENT TO CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED NOVEMBER 30, 2002

(Prepared by Management - Unaudited)

As of January 9, 2003 the following items were outstanding:

- 1) 20,189,398 common shares
- 2) 1,750,000 convertible special warrants (will all be converted to common shares for nil consideration)
- 3) 3,000,000 non-transferable common share purchase warrants exercisable at \$0.50 expiring within two years of the issuance of the warrant (August 3, 2004)
- 4) Warrants

	Expiry Date	Number of Warrants	Price
	May 21, 2004	500,000	\$0.25 or \$0.28

5) Stock Options

	Expiry Date	Number of Stock Options	Exercise Price
	May 21, 2007	650,000	\$0.28
	July 11, 2007	945,000	0.38
	Sept 16, 2007	332,000	0.40
	Sept 16, 2007	132,000	0.60
	Sept 16, 2007	132,000	0.80
	Oct 15, 2007	300,000	0.60
		2,491,000	



Form 51-901F

BRITISH COLUMBIA SECURITIES COMMISSION

DESERT SUN MINING CORP.
Form 51-901F
November 30, 2002

Issuer Details

NAME OF ISSUER DESERT SUN MINING CORP.		FOR THE QUARTER ENDED NOVEMBER 30, 2002		DATE OF REPORT MM/DD/YY JANUARY 13, 2003
ISSUER ADDRESS 65 QUEEN STREET WEST, SUITE #810				
CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M5H 2M5	ISSUER FAX NO. (416) 861 - 0341	ISSUER TELEPHONE NO. (416) 861 - 9622
CONTACT NAME IAN M. MacNEILY		CONTACT POSITION CFO		CONTACT TELEPHONE NO. (416) 861 - 0341 X232
CONTACT EMAIL ADDRESS imacneily@desertsunmining.com		WEB SITE ADDRESS www.desertsunmining.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 "STAN BHARTI"	PRINT FULL NAME "STAN BHARTI"	DATE SIGNED MM/DD/YY JANUARY 13, 2003
DIRECTOR'S SIGNATURE "GERALD MCCARVILL"	PRINT FULL NAME "GERALD MCCARVILL"	DATE SIGNED MM/DD/YY JANUARY 13, 2003
DIRECTOR'S SIGNATURE "PETER BOJTOS"	PRINT FULL NAME "PETER BOJTOS"	DATE SIGNED MM/DD/YY JANUARY 13, 2003
DIRECTOR'S SIGNATURE "DR. WILLIAM PEARSON"	PRINT FULL NAME "DR. WILLIAM PEARSON"	DATE SIGNED MM/DD/YY JANUARY 13, 2003
DIRECTOR'S SIGNATURE "KEN TAYLOR"	PRINT FULL NAME "KEN TAYLOR"	DATE SIGNED MM/DD/YY JANUARY 13, 2003

For the current year-to-date period



1. Analysis of expenses

EXPENSES

Refer to the consolidated statements of operations and deficit of the unaudited financial statements as of November 30, 2002.

MINING INTERESTS

	\$
Jacobina Mine	
Open, August 31, 2002 (audit)	35,836
Option payment	100,000
Cash reserve for exploration	24,262
Officer travel	14,939
Asset acquisitions	18,479
Geologists/Consultants' fees	99,351
Camp accommodation	29,145
Geological/geophysical	114,678
Office and administration	37,221
Close, November 30, 2002 (unaudited)	<u>473,911</u>

2. Analysis of related party transactions.

Refer to Note 7 of the unaudited financial statements as of November 30, 2002

3. Summary of securities issued and options granted during the period

(a) Summary of securities issued during the period

See Note 2 of the unaudited financial statements as of November 30, 2002

(b) Summary of options granted during the period

Date	Number	Name of Option	Exercise Price \$	Expiry Date
16-Sep-02	200,000	Ian MacNeily	0.40	16-Sep-07
16-Sep-02	396,000	Mark Brennan	0.40 - 0.80	16-Sep-07
15-Oct-02	200,000	Robert Chapman	0.55	15-Oct-07
15-Oct-02	100,000	Robert Moriarty	0.55	15-Oct-07
	<u>896,000</u>			

4. Summary of securities as at the end of the reporting period

(a) Description of share capital

Authorized - 50,000,000 common shares without par value

(b) Number and recorded value of share capital

16,939,398 common shares valued at \$7,146,297

(c) Summary of options and warrants at period end

Options

Refer to Note 3 of the unaudited financial statements as of November 30, 2002

Warrants

Refer to Note 4 of the unaudited financial statements as of November 30, 2002

(d) Number of shares in each class of shares subject to escrow or pooling agreements

None

5. List of names of the directors and officers

Stan Bharti
Gerald McCarvill
Karn Gill
Peter Bojtos
William Pearson
Ken Taylor
Ian MacNeily
Mark Brennan



MANAGEMENT'S DISCUSSION AND ANALYSIS

of Financial Condition and Results of Operations
For the Three Months Ended November 30, 2002
Schedule C

General

Desert Sun Mining Corp. is involved in the exploration and development of precious metals projects. The Corporation is currently not in production on any of its properties.

In May 2002, Desert Sun acquired an option to earn a 51% interest in the Jacobina Mine and related mineral concessions located near Jacobina, Brazil. This project has been the focus of the Corporation's activities since early 2002.

In September 2002, the Corporation entered into a Memorandum of Understanding ("MOU") whereby Desert Sun can also acquire the remaining 49% interest in the Jacobina property by paying \$100,000 upon execution of the MOU and an additional \$5 million within 90 days upon earning the initial 51% interest in the property. Up to 50% of the \$5 million can be in the equivalent value of common shares of Desert Sun at the option of the vendor. In August 2002, the Corporation raised \$2 million and began a Phase I drilling program in September 2002.

Results of Operations

For the quarter ended November 30, 2002, the Corporation invested \$438,075 in mineral properties, all of it relating to the Jacobina property.

For the quarter ended November 30, 2002, the Corporation had a net loss of \$380,022 (\$0.02 per share) compared to a net loss of \$6,064 (\$0.00 per share) for the same period in 2001. The increase in expenses occurred primarily due to the commencement of mining exploration on the Jacobina property and general corporate expenses.

Financial Conditions, Liquidity and Capital Resources

As the Corporation has not begun production on any of its properties, the Corporation does not have any cash flow from operations. The Corporation receives cash for use in operations from issuing common shares, sales of selected assets and investment income.

During the quarter ended November 30, 2002, the Corporation issued 114,290 common shares for gross proceeds of \$13,715 as a result of stock options being exercised.

MANAGEMENT'S DISCUSSION AND ANALYSIS

of Financial Condition and Results of Operations

For the Three Months Ended November 30, 2002

Schedule C

As at November 30, 2002, the Corporation had cash and cash equivalents totaling \$1.1 million, and common shares issued and outstanding of 16.9 million. The Corporation had no significant debt outstanding at quarter end.

Future Prospects

The Corporation will continue to focus its efforts on the exploration and development of the Jacobina property. The ability of the Corporation to continue operations beyond 2003 is dependent upon obtaining the necessary financing to develop the Jacobina project and/or the realization of proceeds from the sale of this property.

DESERT SUN MINING CORP.
CONSOLIDATED BALANCE SHEETS
(PREPARED BY MANAGEMENT)

	February 28, 2003 (Unaudited)	August 31, 2002 (Audited)
Assets		
Current		
Cash and cash equivalents (Note 2)	\$ 4,349,472	\$ 1,735,139
Funds in trust	425,000	-
Accounts receivable	38,151	6,652
Prepaid expenses	<u>25,644</u>	<u>34,661</u>
	4,838,267	1,776,452
Capital assets	42,624	-
Resource property costs	<u>840,592</u>	<u>35,836</u>
	<u>\$ 5,721,483</u>	<u>\$ 1,812,288</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	<u>\$ 29,454</u>	<u>\$ 15,970</u>
Shareholders' Equity		
Share capital (Note 3)	13,727,763	7,132,582
Special Warrants	-	1,872,475
Contributed surplus (Note 5)	348,000	-
Deficit	<u>(8,383,734)</u>	<u>(7,208,739)</u>
	<u>5,692,029</u>	<u>1,796,318</u>
	<u>\$ 5,721,483</u>	<u>\$ 1,812,288</u>

Responsibility for Financial Statements

The accompanying financial statements for Desert Sun Mining Corp. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the August 31, 2002 audited financial statements. Only changes in accounting policies have been disclosed in these financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependant upon future events. Therefore, estimates and approximations have been made using careful judgement. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

(Prepared by Management) (Unaudited)

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

	Three Months Ended February 28,		Six Months Ended February 28,	
	2003	2002	2003	2002
Expenses				
Management and administrative services	\$ 250,050	\$ (4,500)	\$ 404,148	\$ -
Amortization	232	319	464	639
Investor relations and shareholders' information	91,825	-	119,686	-
Compensation expense (Note 5)	306,000	-	348,000	-
Travel and promotion	69,669	4,748	134,402	4,748
Professional fees	22,176	(100)	32,109	900
Office expenses, setup and general and administrative	47,842	-	145,003	76
Transfer agent fees	<u>10,000</u>	<u>4,090</u>	<u>11,215</u>	<u>4,263</u>
Total expenses	797,794	4,557	1,195,027	10,626
Other income				
Interest and investment income	(9,046)	179	(19,311)	174
Foreign exchange (gain) loss	<u>6,225</u>	<u>-</u>	<u>(721)</u>	<u>-</u>
Net loss for the period	(794,973)	(4,736)	(1,174,995)	(10,800)
DEFICIT, beginning of period	<u>(7,588,761)</u>	<u>(7,089,382)</u>	<u>(7,208,739)</u>	<u>(7,083,318)</u>
DEFICIT, end of period	<u>\$ (8,383,734)</u>	<u>\$ (7,094,118)</u>	<u>\$ (8,383,734)</u>	<u>\$ (7,094,118)</u>

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

(Prepared by Management) (Unaudited)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended February 28,		Six Months Ended February 28,	
	2003	2002	2003	2002
Cash Provided by (Used in):				
OPERATING ACTIVITIES				
Loss for the period	\$ (794,973)	\$ (4,736)	\$ (1,174,995)	\$ (10,800)
Adjustment for items not involving cash:				
Compensation expense (Note 5)	306,000	-	348,000	-
Amortization	232	319	464	639
Changes in non-cash working capital relating to operations	<u>(21,786)</u>	<u>5,979</u>	<u>(8,998)</u>	<u>11,736</u>
	<u>(510,527)</u>	<u>1,562</u>	<u>(835,529)</u>	<u>1,575</u>
INVESTING ACTIVITIES				
Resource property costs	(366,681)	-	(804,756)	-
Acquisition of capital assets	<u>(33,798)</u>	<u>-</u>	<u>(43,088)</u>	<u>-</u>
	<u>(400,479)</u>	<u>-</u>	<u>(847,844)</u>	<u>-</u>
FINANCING ACTIVITIES				
Funds in trust	(425,000)	-	(425,000)	-
Issuance of common shares	<u>4,608,991</u>	<u>-</u>	<u>4,722,706</u>	<u>-</u>
	<u>4,183,991</u>	<u>-</u>	<u>4,297,706</u>	<u>-</u>
CHANGE IN CASH AND CASH EQUIVALENTS	3,272,985	1,562	2,614,333	1,575
CASH AND CASH EQUIVALENTS, beginning of period	<u>1,076,487</u>	<u>6</u>	<u>1,735,139</u>	<u>(7)</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 4,349,472</u>	<u>\$ 1,568</u>	<u>\$ 4,349,472</u>	<u>\$ 1,568</u>

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

SIX MONTHS ENDED FEBRUARY 28, 2003

1. ACCOUNTING POLICIES

The management of Desert Sun Mining Corp. (the "Company") have prepared these consolidated financial statements in accordance with Canadian generally accepted accounting principles.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited consolidated financial statements. Operating results for the six months ended February 28, 2003 may not be indicative of the results that may be expected for the full year ending August 31, 2003.

These statements follow the same methods and policies used in the audited financial statements for the year ended August 31, 2002, except for the following:

STOCK BASED COMPENSATION

Effective September 1, 2002, the Company adopted the recommendations of the Canadian Institute of Chartered Accountants Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. This Section defines recognition, measurement and disclosure standards for stock-based compensation to non-employees and employees. Under these new standards, all stock-based payments made to non-employees must be systematically accounted for in the enterprise's financial statements. These standards also define a fair value-based method of accounting for the stock-based employee compensation plans. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and should be recognized over the related service period. An entity that does not adopt the fair value method of accounting for its awards granted to employees is required to include in its financial statements pro forma disclosures of net earnings and earnings per share as if the fair value method of accounting had been applied. The Company has chosen the latter alternative and the required pro forma information is presented in Note 4.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised cash on hand and short-term investments generally which mature within 90 days from date of acquisition. The investments are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

3. SHARE CAPITAL

a) Authorized - unlimited common shares without par value

b) Issued

	Number of Shares	Amount
Beginning balance, August 31, 2002 (audited)	16,825,108	\$ 7,132,582
Adjustment	66	-
Exercise of stock options for cash	114,290	13,714
Private placement	4,701,065	4,548,992
Exercise of warrants	120,000	60,000
Conversion of special warrants	5,000,000	1,972,475
Ending balance, February 28, 2003 (unaudited)	26,760,529	\$ 13,727,763

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

SIX MONTHS ENDED FEBRUARY 28, 2003

4. STOCK OPTIONS

Under the Company's Stock Option Plan (the "Plan") established in 2002 and approved by shareholders on February 12, 2003, the Company may grant to directors, officers, employees and consultants options to purchase common shares of the Company. The aggregate number of shares reserved for issuance under the Plan shall not exceed four million common shares. The total number of shares which may be reserved for issuance to any one individual under the Plan shall not exceed 5% of the total number of issued and outstanding shares (on a non-diluted basis) in any 12 month period. Options granted under the Plan have a five-year term and are priced at the TSX-V closing price of the Company's common shares on the day immediately prior to the date granting. Vesting provisions vary according to the terms of the individual granting and in accordance with the TSX-V exchange regulations.

The following summarizes the stock option activity during the six months ended February 28, 2003:

	Number of options	Weighted Average Exercise Price
Opening balance, August 31, 2002 (audited)	1,809,290	\$ 0.33
Granted	2,335,997	0.82
Exercised	(114,290)	0.12
Cancelled	(150,000)	0.38
Balance, February 28, 2003 (unaudited)	3,880,997	\$ 0.62

The remaining weighted average life of the stock options is 4.62 years.

As of February 28, 2003, the following options to acquire common shares were outstanding:

Expiry Date	Number of Options	Exercisable Options	Unexercisable Options	Exercise Price
May 21, 2007	650,000	650,000	-	\$0.28
July 11, 2007	895,000	447,500	447,500	0.38
September 16, 2007	332,000	83,000	249,000	0.40
September 16, 2007	132,000	33,000	99,000	0.60
September 16, 2007	132,000	33,000	99,000	0.80
October 15, 2007	300,000	75,000	225,000	0.55
February 4, 2008	1,439,997	359,997	1,080,000	1.00
	3,880,997	1,681,497	2,199,500	

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

SIX MONTHS ENDED FEBRUARY 28, 2003

5. STOCK OPTION COMPENSATION ADJUSTMENT

The Company applies the intrinsic value based method of accounting for stock-based compensation awards to employees and accordingly no compensation cost is recognized. Had stock-based compensation for 1,835,997 options granted to employees under the Plan since September 1, 2002 been determined on the basis of fair value at the date of grant in accordance with the fair value method of accounting for stock-based compensation, the Company's pro forma net loss and loss per share for the six months ended February 28, 2003 would have been as follows:

	Loss	Loss Per Share
As reported	(1,174,995)	(0.05)
Pro forma	(2,297,293)	(0.11)

The Company also applied the fair value method of accounting for stock based compensation awards to non-employees, and accordingly \$348,000 was recorded as consulting expense and contributed surplus for the 100,000 options granted to non-employees in October 2002 and 400,000 options granted in February 2003.

For purposes of calculating the the fair-value method of accounting for stock options (as mentioned above) , the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used: dividend yield of 0%, expected volatility of 100%, a risk-free interest rate that ranges from 4.4% to 4.5% and an expected life of 5 years.

6. Warrants

Each warrant is convertible into one common share.

Expiry Date	Number of Warrants	Price
May 21, 2004	500,000	\$0.25 (Prior to May 21, 2003) or \$0.28
August 3, 2004	2,880,000	\$0.50
August 28, 2004	2,350,533	\$1.25

7. INCOME TAXES

The estimated taxable income for the period is nil. Based upon the level of historical taxable income it cannot be reasonably estimated at this time if it is more likely than not the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values have been reduced by an equivalent estimated taxable temporary difference valuation allowance. The estimated taxable temporary difference valuation allowance will be adjusted in the period that it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized.

For further information on the Company's actual losses for tax purposes, refer to the August 31, 2002 audited financial statements. The benefit of these losses and the estimated loss for the period ended have not been recognized in these unaudited consolidated financial statements.

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

SIX MONTHS ENDED FEBRUARY 28, 2003

8. BASIC AND FULLY DILUTED LOSS PER SHARE

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Fully diluted loss per share reflects the maximum possible dilution from the potential exercise of stock options and warrants. Fully diluted loss per share is the same as basic loss per share since the conversion of stock options and warrants would be anti-dilutive.

The following tables sets forth the computation of basic and diluted earnings per share:

	February 28,	
	2003	2002
Basic loss per share	<u>\$ (0.05)</u>	<u>\$ 0.00</u>
Fully diluted loss per share	<u>\$ (0.05)</u>	<u>\$ 0.00</u>
Numerator for basic and fully diluted loss per share:		
Net loss for the period	<u>\$ (1,174,995)</u>	<u>\$ (10,800)</u>
Denominator:		
Weighted average of common shares	<u>21,792,818</u>	<u>15,535,818</u>
Weighted average number of fully diluted shares	<u>21,792,818</u>	<u>15,535,818</u>

9. RELATED PARTY TRANSACTIONS

The Company paid a private company controlled by the president an aggregate of \$45,000 for rent, administrative services, and expense reimbursements.

The Company paid compensation of \$366,656 to officers and directors of the Company.

All transactions with related parties were measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.

DESERT SUN MINING CORP.

SUPPLEMENT TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

SIX MONTHS ENDED FEBRUARY 28, 2003

As of March 28, 2003 the following items were outstanding:

- 1) 26,760,529 common shares
- 2) Warrants

Expiry Date	Number of Warrants	Price
May 21, 2004	500,000	\$0.25 (Prior to May 21, 2003) or \$0.28
August 3, 2004	2,880,000	\$0.50
August 28, 2004	2,350,533	\$1.25

- 3) Stock Options

Expiry Date	Number of Options	Exercise Price
May 21, 2007	650,000	\$0.28
July 11, 2007	895,000	0.38
September 16, 2007	332,000	0.40
September 16, 2007	132,000	0.60
September 16, 2007	132,000	0.80
October 15, 2007	300,000	0.55
February 4, 2008	1,439,997	1.00
	3,880,997	



BRITISH COLUMBIA SECURITIES COMMISSION

DESERT SUN MINING CORP.
 Form 51-901F
 February 28, 2003

Issuer Details

NAME OF ISSUER DESERT SUN MINING CORP.		FOR THE QUARTER ENDED February 28, 2003	DATE OF REPORT MM/DD/YY April 11, 2003
ISSUER ADDRESS 65 QUEEN STREET WEST, SUITE #810			
CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M5H 2M5	ISSUER TELEPHONE NO. (416) 861 - 9622
CONTACT NAME IAN M. MacNEILY		CONTACT POSITION CFO	CONTACT TELEPHONE NO. (416) 861 - 0341 X232
CONTACT EMAIL ADDRESS imacneily@desertsunmining.com		WEB SITE ADDRESS www.desertsunmining.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 "STAN BHARTI"	FIRST FULL NAME "STAN BHARTI"	DATE SIGNED MM/DD/YY April 11, 2003
DIRECTOR'S SIGNATURE "GERALD MCCARVILL"	FIRST FULL NAME "GERALD MCCARVILL"	DATE SIGNED MM/DD/YY April 11, 2003
DIRECTOR'S SIGNATURE "PETER BOJTOS"	FIRST FULL NAME "PETER BOJTOS"	DATE SIGNED MM/DD/YY April 11, 2003
DIRECTOR'S SIGNATURE "DR. WILLIAM PEARSON"	FIRST FULL NAME "DR. WILLIAM PEARSON"	DATE SIGNED MM/DD/YY April 11, 2003
DIRECTOR'S SIGNATURE "KEN TAYLOR"	FIRST FULL NAME "KEN TAYLOR"	DATE SIGNED MM/DD/YY April 11, 2003

DESERT SUN MINING CORP.

Form 51-901F, Schedule B: Supplementary Information

February 28, 2003

For the period ending February 28, 2003

1. Analysis of significant operating expenses

Management and administrative services expense

	<u>\$</u>
Management salaries and Directors fees	218,893
Bonuses to Directors and officers	147,763
Administrative services fees for corporate secretary and office support staff	37,492
	<u>404,148</u>

Office expenses, setup & general and administrative expenses

	<u>\$</u>
Telephone, postage and utilities	25,753
Office rent and equipment rentals	29,917
Bank charges and filing fees	1,570
Office leasehold improvements, setup and repairs	10,576
Corporate brochures, business cards, advertising	10,877
Professional membership fees, conference & advertising fees	32,109
Office software, office network, website setup costs, miscellaneous, and others	34,202
	<u>145,003</u>

Investor relations and shareholders' information

	<u>\$</u>
Trade shows and conferences	32,995
Website based advertising and information	24,037
Investor relations consulting fees	13,500
Shareholder information mailings and filing fees	16,919
Annual report, shareholder information and mailing costs	28,190
Misc.	4,045
	<u>119,686</u>

MINING INTERESTS

	<u>\$</u>
<u>Jacobina Mine</u>	
Open, August 31, 2002 (audited)	35,836
Option payment	125,000
Travel	29,108
Asset acquisitions	23,088
Geologists/Consultants' fees	210,410
Camp accommodation	18,495
Drilling, geological and geophysical	317,925
Office and administration	80,730
Close, February 28, 2003 (unaudited)	<u>840,592</u>

2. Analysis of related party transactions.

Refer to Note 9 of the unaudited financial statements as of February 28, 2003

DESERT SUN MINING CORP.

Form 51-901F, Schedule B: Supplementary Information

February 28, 2003

3. Summary of securities issued during the period

(a) Summary of securities issued during the period

See Note 3 of the unaudited financial statements as of February 28, 2003

(b) Summary of options granted during the period

Date	Number	Name of Option	Exercise Price \$
16/09/2002	200,000	Ian MacNeily	0.40
16/09/2002	396,000	Mark Brennan	0.40 - 0.80
15/10/2002	200,000	Robert Chapman	0.55
15/10/2002	100,000	Robert Moriarty	0.55
04/02/2003	1,439,997	See attachment	1.00
	<u>2,335,997</u>		

4. Summary of securities as at the end of the reporting period

(a) Description of share capital

Authorized - unlimited common shares without par value

(b) Number and recorded value of share capital

26,760,529 common shares valued at \$13,302,763

(c) Summary of options and warrants at period end

Options

Refer to Note 4 of the unaudited financial statements as of February 28, 2003

Warrants

Refer to Note 6 of the unaudited financial statements as of February 28, 2003

(d) Number of shares in each class of shares subject to escrow or pooling agreements

None

5. List of names of the directors and officers

Stan Bharti	Ken Taylor
Gerald McCarvill	Ian MacNeily
Kam Gill	Mark Brennan
Peter Bojtos	
William Pearson	

DESERT SUN MINING CORP.

Form 51-901F – Schedule C: Management Discussion and Analysis

For the six months ended February 28, 2003.

General

Desert Sun Mining Corp. (the “Corporation”) is involved in the exploration and development of precious metals projects. The Corporation is currently not in production on any of its properties.

In 2002, the Corporation substantially reorganized its operations and appointed new officers and directors. In May 2002, Desert Sun acquired an option to earn a 51% interest in the Jacobina Mine and related mineral concessions located near Jacobina, Brazil. The option agreement required the Corporation to pay \$25,000 upon execution of the agreement and requires Desert Sun Mining to spend US\$2 million on the Jacobina property prior to December 31, 2004 to earn a 51% interest.

The Jacobina project has been the focus of the Corporation’s activities since that time. Prior to May 2002, the Corporation was inactive in the previous year. In August 2002, the Corporation raised \$2 million and began a Phase I drilling program in September 2002.

In September 2002, the Corporation entered into a Memorandum of Understanding (“MOU”) whereby Desert Sun can also acquire the remaining 49% interest in the Jacobina property by paying \$100,000 upon execution of the MOU and an additional \$5 million within 90 days upon earning the initial 51% interest in the property. Up to 50% of the \$5 million can be in the equivalent value of common shares of Desert Sun at the option of the vendor.

Results of Operations

For the three months ended February 28, 2003, the Corporation invested \$403,000 in mineral properties, all of it relating to the Jacobina property, similar to the investment of \$438,000 in the property during the previous quarter.

The total investment in the Jacobina property as at February 28, 2003 was \$840,592 (US\$540,000) as part of the Corporation’s requirement to invest US\$2 million prior to December 31, 2004 to earn a 51% interest in the Jacobina concession and was comprised of:

Acquisition costs (option payments)	\$125,000
Camp accommodation and travel	49,280
Equipment acquisitions	23,088
Geologists and Geological consulting fees	219,410
Geological and geophysical	342,187
Office and administration	<u>81,627</u>
	<u>\$840,592</u>

For the three months ended February 28, 2003, the Corporation had a net loss of \$794,973 (\$0.03 per share) in comparison to \$380,000 (\$0.02 per share) during the previous quarter and a net loss \$10,626 (\$0.00 per share) for the corresponding period in 2002

The increase in expenses in the first two quarters of fiscal 2003 continued as the management team and staff were assembled and work began in earnest on the Jacobina concession in September 2002.

Significant operating expenses occurring in the second quarter were as follows:

Management and administrative staff compensation fees were \$250,050 for the quarter ended February 28, 2003 versus \$154,000 in the first quarter and nil during the corresponding quarter in 2002. The addition of the management team in late August 2002 was fully reflected in the second quarter results and the Corporation disbursing \$148,000 in bonuses to some of the officers and directors in February, 2003 versus \$65,000 in the previous quarter accounted for the increased expense.

Shareholders' information and investor relations expense was \$91,825 in the quarter ended February 28, 2003 versus \$27,861 in the previous quarter as the Corporation undertook additional investor relations activities, including the preparation and distribution of an annual report and shareholder proxy materials. **Please see Schedule B for a detailed breakdown of the costs.**

Office expense, setup and general administrative expenses during the second quarter ended February 28, 2003 were \$47,842 a decrease of \$49,319 (49%) from \$97,161 in the previous quarter. The decrease in the second quarter was primarily due to the setup costs of the Corporation's Toronto office and closing down of the Vancouver office being done and completed in the first quarter of the year and reflected in that reporting period. **Please see Schedule B for a detailed breakdown of the costs.**

Exploration update

Upon the completion of the \$2 million equity private placement in late August and early September 2002, the Corporation undertook a phase I exploration and drilling campaign. The objective of the program was to explore the Jacobina property in order to further understand its geology and mineralization. In Phase I, the Corporation selected eight areas for drilling; three areas around the existing mines and five areas in extensions of the favourable stratigraphy.

Drilling in Phase I was completed in early January 2003 and the first set of drilling results were disclosed in a press release, dated January 20, 2003. The second set of drilling results were disclosed in a press release, dated March 10, 2003. In total, phase I drilling comprised 12 holes, totaling 2,250 metres.

In addition to the above drilling results, the Corporation also identified extensions of the favourable rock units immediately north of its Jacobina holdings in its phase I exploration program. As a result, DSM has applied for an additional 10,500 hectares in exploration licenses in the state of Bahia, Brazil, that cover this large new target area identified in its regional exploration program. The area is located 50 kilometres north of the town of Jacobina and is accessible by road.

Based on the encouraging results of its phase I program, in late February the Corporation raised an additional \$4.7 million (as described below) and commenced a phase II exploration program on the property in late March. Phase II is expected to include 8,000 metres of diamond drilling, geophysical surveys and regional exploration. The estimated budget for phase II is expected to be \$2.2 million (US\$1.5 million) and it will continue through the remainder of 2003, as outlined in a press release dated April 9, 2003.

Financial Conditions, Liquidity and Capital Resources

As the Corporation has not begun production on any of its properties, the Corporation does not have any cash flow from operations. The Corporation receives cash for use in operations from issuing common shares, sales of selected assets and investment income.

During the three months ended February 28, 2003, the Corporation issued 120,000 common shares for gross proceeds of \$60,000 from the conversion of 120,000 warrants. In addition, on February 28, 2003 the Corporation completed a private placement of 4.7 million common shares and an attached one-half warrant for gross proceeds of \$4.7 million. The attached warrants are convertible into common shares at \$1.25 per share until August 28, 2004.

In December 2002, the five million special warrants issued in the private placement in August 2002, were converted into five million common shares for no additional consideration.

As at February 28, 2003, the Corporation had cash and cash equivalents totaling \$4.3 million and also had funds held temporarily in trust of \$425,000, pending completion of the private placement documentation. The Corporation had no significant debt outstanding as at February 28, 2003 and had issued and outstanding common shares of 26.8 million.

Comparison of use of proceeds

In the Corporation's private placement filing of August, 2002, the Corporation stated it intends to spend up to \$1.6 million on exploration of the Jacobina property and the remainder (\$400,000) for working capital and issue costs. Shown below is the actual use of those proceeds up to February 28, 2003.

Category	Estimated Use	Actual at Feb. 28'03	Notes
Exploration	\$1,600,000	\$840,592	The Corp. had \$500,000 in cash on hand prior to Feb. 28 th private placement to continue exploration program
General corporate expenses (working capital)	\$400,000	\$659,408	Higher than expected costs for management, investor relations and general expenses account for the higher working capital usage. See schedule B for a detailed breakdown of these costs.

The higher than expected general expenses are not expected to materially affect the Corporation's achievement of its corporate objectives.

The private placement of 4.7 million shares completed on February 28, 2003, will be used to fund the phase II exploration program (\$2.2 million), preparation of the prefeasibility study and related documents (\$500,000) and for general corporate use and working capital.

Future Prospects

The Corporation will continue to focus its efforts on the exploration and development of the Jacobina property. The Corporation anticipates it will earn its initial 51% interest in the Jacobina property in late 2003 or early 2004 upon the completion of the phase II exploration program.

The ability of the Corporation to continue operations beyond 2004 is dependent upon obtaining the necessary financing to develop the Jacobina project and/or the realization of proceeds from the sale of this property.

DESERT SUN MINING CORP.
CONSOLIDATED BALANCE SHEETS
(PREPARED BY MANAGEMENT)

	May 31, 2003 (Unaudited)	August 31, 2002 (Audited)
Assets		
Current		
Cash and cash equivalents (Note 2)	\$ 3,565,282	\$ 1,735,139
Accounts receivable	72,340	6,652
Prepaid expenses	<u>4,614</u>	<u>34,661</u>
	3,642,236	1,776,452
Capital assets	19,157	-
Resource property costs	<u>1,606,729</u>	<u>35,836</u>
	<u>\$ 5,268,122</u>	<u>\$ 1,812,288</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	<u>\$ 39,212</u>	<u>\$ 15,970</u>
Shareholders' Equity		
Share capital (Note 3)	13,687,304	7,132,582
Special Warrants	-	1,872,475
Contributed surplus (Note 5)	367,125	-
Deficit	<u>(8,825,519)</u>	<u>(7,208,739)</u>
	<u>5,228,910</u>	<u>1,796,318</u>
	<u>\$ 5,268,122</u>	<u>\$ 1,812,288</u>

Responsibility for Financial Statements

The accompanying financial statements for Desert Sun Mining Corp. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the August 31, 2002 audited financial statements. Only changes in accounting policies have been disclosed in these financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgement. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

(Prepared by Management) (Unaudited)

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2003	2002	2003	2002
Expenses				
Management and administrative services	\$ 122,547	\$ 400	\$ 526,695	\$ 400
Amortization	3,307	320	3,771	959
Investor relations and shareholders' information	171,419	-	291,105	
Compensation expense (Note 5)	19,125	-	367,125	-
Travel and promotion	77,346	-	211,748	4,748
General exploration expenses	833	-	833	-
Professional fees	24,658	2,549	56,767	3,449
Office expenses, setup and general and administrative	36,711	5,943	181,714	6,193
Transfer agent fees	<u>4,946</u>	<u>1,667</u>	<u>16,161</u>	<u>5,930</u>
Total expenses	460,892	10,879	1,655,919	21,679
Other (income) loss				
Interest and investment income	(21,052)	-	(40,363)	-
Foreign exchange loss	<u>1,945</u>	<u>-</u>	<u>1,224</u>	<u>-</u>
Net loss for the period	(441,785)	(10,879)	(1,616,780)	(21,679)
DEFICIT, beginning of period	<u>(8,383,734)</u>	<u>(7,094,118)</u>	<u>(7,208,739)</u>	<u>(7,083,318)</u>
DEFICIT, end of period	<u>\$ (8,825,519)</u>	<u>\$ (7,104,997)</u>	<u>\$ (8,825,519)</u>	<u>\$ (7,104,997)</u>

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

(Prepared by Management) (Unaudited)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2003	2002	2003	2002
Cash Provided by (Used in):				
OPERATING ACTIVITIES				
Loss for the period	\$ (441,785)	\$ (10,879)	\$ (1,616,780)	\$ (21,679)
Adjustment for items not involving cash:				
Compensation expense (Note 5)	19,125	-	367,125	-
Amortization	3,307	320	3,771	959
Changes in non-cash working capital relating to operations	<u>(3,401)</u>	<u>(22,350)</u>	<u>(12,399)</u>	<u>(10,614)</u>
	<u>(422,754)</u>	<u>(32,909)</u>	<u>(1,258,283)</u>	<u>(31,334)</u>
INVESTING ACTIVITIES				
Resource property costs	(766,137)	(25,000)	(1,570,893)	(25,000)
Acquisition of capital assets	<u>20,160</u>	<u>-</u>	<u>(22,928)</u>	<u>-</u>
	<u>(745,977)</u>	<u>(25,000)</u>	<u>(1,593,821)</u>	<u>(25,000)</u>
FINANCING ACTIVITIES				
Funds in trust	425,000	-	-	-
Issuance of common shares	-	100,000	4,868,674	100,000
Shares issue costs	<u>(40,459)</u>	<u>(2,500)</u>	<u>(186,427)</u>	<u>(2,500)</u>
	<u>384,541</u>	<u>97,500</u>	<u>4,682,247</u>	<u>97,500</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(784,190)	39,591	1,830,143	41,166
CASH AND CASH EQUIVALENTS, beginning of period	<u>4,349,472</u>	<u>1,568</u>	<u>1,735,139</u>	<u>(7)</u>
CASH AND CASH EQUIVALENTS, end of period	<u><u>\$ 3,565,282</u></u>	<u><u>\$ 41,159</u></u>	<u><u>\$ 3,565,282</u></u>	<u><u>\$ 41,159</u></u>

See notes to the consolidated financial statements

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

NINE MONTHS ENDED MAY 31, 2003

1. ACCOUNTING POLICIES

The management of Desert Sun Mining Corp. (the "Company") have prepared these consolidated financial statements in accordance with Canadian generally accepted accounting principles.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited consolidated financial statements. Operating results for the nine months ended May 31, 2003 may not be indicative of the results that may be expected for the full year ending August 31, 2003.

These statements follow the same methods and policies used in the audited financial statements for the year ended August 31, 2002, except for the following:

STOCK BASED COMPENSATION

Effective September 1, 2002, the Company adopted the recommendations of the Canadian Institute of Chartered Accountants Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. This Section defines recognition, measurement and disclosure standards for stock-based compensation to non-employees and employees. Under these new standards, all stock-based payments made to non-employees must be systematically accounted for in the enterprise's financial statements. These standards also define a fair value-based method of accounting for the stock-based employee compensation plans. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and should be recognized over the related service period. An entity that does not adopt the fair value method of accounting for its awards granted to employees is required to include in its financial statements pro forma disclosures of net earnings and earnings per share as if the fair value method of accounting had been applied. The Company has chosen the latter alternative and the required pro forma information is presented in Note 5.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised cash on hand and short-term investments generally which mature within 90 days from date of acquisition. The investments are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

3. SHARE CAPITAL

a) Authorized - unlimited common shares without par value

b) Issued

	Number of Shares	Amount
Beginning balance, August 31, 2002 (audited)	16,825,108	\$ 7,132,582
Adjustment	66	-
Exercise of stock options for cash	114,290	13,714
Private placement	4,701,065	4,508,533
Exercise of warrants	120,000	60,000
Conversion of special warrants	5,000,000	1,972,475
Ending balance, May 31, 2003 (unaudited)	26,760,529	\$ 13,687,304

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

NINE MONTHS ENDED MAY 31, 2003

4. STOCK OPTIONS

Under the Company's Stock Option Plan (the "Plan") established in 2002 and approved by shareholders on February 12, 2003, the Company may grant to directors, officers, employees and consultants options to purchase common shares of the Company. The aggregate number of shares reserved for issuance under the Plan shall not exceed four million common shares. The total number of shares which may be reserved for issuance to any one individual under the Plan shall not exceed 5% of the total number of issued and outstanding shares (on a non-diluted basis) in any 12 month period. Options granted under the Plan have a five-year term and are priced at the TSX-V closing price of the Company's common shares on the day immediately prior to the date of granting. Vesting provisions vary according to the terms of the individual grant and in accordance with the TSX-V exchange regulations.

The following summarizes the stock option activity during the nine months ended May 31, 2003:

	Number of options	Weighted Average Exercise Price
Opening balance, August 31, 2002 (audited)	1,809,290	\$ 0.33
Granted	2,610,997	0.84
Exercised	(114,290)	0.12
Cancelled	(500,000)	0.45
Balance, May 31, 2003 (unaudited)	3,805,997	\$ 0.66

The remaining weighted average life of the stock options is 4.37 years.

As of May 31, 2003, the following options to acquire common shares were outstanding:

Expiry Date	Number of Options	Exercisable Options	Unexercisable Options	Exercise Price
May 21, 2007	650,000	650,000	-	\$0.28
July 11, 2007	895,000	447,500	447,500	0.38
September 16, 2007	232,000	116,000	116,000	0.40
September 16, 2007	132,000	66,000	66,000	0.60
September 16, 2007	132,000	66,000	66,000	0.80
October 15, 2007	100,000	50,000	50,000	0.55
February 4, 2008	1,389,997	347,499	1,042,498	1.00
April 23, 2008	275,000	31,250	243,750	1.00
	3,805,997	1,774,249	2,031,748	

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

NINE MONTHS ENDED MAY 31, 2003

5. STOCK OPTION COMPENSATION ADJUSTMENT

The Company applies the intrinsic value based method of accounting for stock-based compensation awards to employees and accordingly no compensation cost is recognized. Had stock-based compensation for 2,085,997 options granted to employees under the Plan since September 1, 2002 been determined on the basis of fair value at the date of grant in accordance with the fair value method of accounting for stock-based compensation, the Company's pro forma net loss and loss per share for the nine months ended May 31, 2003 would have been as follows:

		Loss Per Share
As reported	(1,616,780)	(0.07)
Pro forma	(2,930,328)	(0.13)

The Company also applied the fair value method of accounting for stock based compensation awards to non-employees, and accordingly \$367,125 was recorded as consulting expense and contributed surplus for the 525,000 options granted to non-employees during the nine months ended May 31, 2003.

For purposes of calculating the the fair-value method of accounting for stock options (as mentioned above) , the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions used: dividend yield of 0%, expected volatility of 100%, a risk-free interest rate that ranges from 4.4% to 4.5% and an expected life of 5 years.

6. WARRANTS

Each warrant is convertible into one common share.

Expiry Date	Number of Warrants	Price
April 17, 2004	500,000	\$0.28
August 3, 2004	2,880,000	\$0.50
August 28, 2004	2,350,533	\$1.25

7. INCOME TAXES

The estimated taxable income for the period is nil. Based upon the level of historical taxable income it cannot be reasonably estimated at this time if it is more likely than not the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values have been reduced by an equivalent estimated taxable temporary difference valuation allowance. The estimated taxable temporary difference valuation allowance will be adjusted in the period that it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized.

For further information on the Company's actual losses for tax purposes, refer to the August 31, 2002 audited financial statements. The benefit of these losses and the estimated loss for the period ended have not been recognized in these unaudited consolidated financial statements.

DESERT SUN MINING CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

NINE MONTHS ENDED MAY 31, 2003

8. BASIC AND FULLY DILUTED LOSS PER SHARE

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Fully diluted loss per share reflects the maximum possible dilution from the potential exercise of stock options and warrants. Fully diluted loss per share is the same as basic loss per share since the conversion of stock options and warrants would be anti-dilutive.

The following tables sets forth the computation of basic and diluted earnings per share:

	2003	May 31, 2002
Basic loss per share	\$ (0.07)	\$ 0.00
Fully diluted loss per share	\$ (0.07)	\$ 0.00
Numerator for basic and fully diluted loss per share:		
Net loss for the period	\$ (1,616,780)	\$ (21,679)
Denominator:		
Weighted average of common shares	21,792,818	15,535,818
Weighted average number of fully diluted shares	21,792,818	15,535,818

9. RELATED PARTY TRANSACTIONS

The Company paid a private company (controlled by the Company's president) an aggregate of \$67,500 for rent, administrative services, and expense reimbursements.

The Company paid compensation of \$459,195 to officers and directors of the Company.

All transactions with related parties were measured at the exchange amount, which is the amount of consideration established and agreed to by both parties.

DESERT SUN MINING CORP.

SUPPLEMENT TO CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Unaudited)

NINE MONTHS ENDED MAY 31, 2003

As of June 20, 2003 the following items were outstanding:

- 1) 26,760,529 common shares
- 2) Warrants

Expiry Date	Number of Warrants	Price
April 17, 2004	500,000	\$0.28
August 3, 2004	2,880,000	\$0.50
August 28, 2004	2,350,533	\$1.25

- 3) Stock Options

Expiry Date	Number of Options	Exercise Price
May 21, 2007	650,000	\$0.28
July 11, 2007	895,000	0.38
September 16, 2007	232,000	0.40
September 16, 2007	132,000	0.60
September 16, 2007	132,000	0.80
October 15, 2007	100,000	0.55
February 4, 2008	1,389,997	1.00
April 23, 2008	275,000	1.00
	3,805,997	



Form 51-901F

BRITISH COLUMBIA SECURITIES COMMISSION

DESERT SUN MINING CORP.
Form 51-901F
May 31, 2003

Issuer Details

NAME OF ISSUER DESERT SUN MINING CORP.		FOR THE QUARTER ENDED May 31, 2003	DATE OF REPORT MM/DD/YY July 30, 2003
ISSUER ADDRESS 65 QUEEN STREET WEST, SUITE #810			
CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M5H 2M5	ISSUER FAX NO. (416) 861 - 0341
CONTACT NAME STEPHEN WOODHEAD		CONTACT POSITION CFO	ISSUER TELEPHONE NO. (416) 861 - 9622
CONTACT EMAIL ADDRESS swoodhead@desertsunmining.com		WEB SITE ADDRESS www.desertsunmining.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 "STAN BHARTI"	PRINT FULL NAME "STAN BHARTI"	DATE SIGNED MM/DD/YY July 30, 2003
DIRECTOR'S SIGNATURE "GERALD MCCARVILL "	PRINT FULL NAME "GERALD MCCARVILL "	DATE SIGNED MM/DD/YY July 30, 2003
DIRECTOR'S SIGNATURE "PETER BOJTOS"	PRINT FULL NAME "PETER BOJTOS"	DATE SIGNED MM/DD/YY July 30, 2003
DIRECTOR'S SIGNATURE "DR. WILLIAM PEARSON"	PRINT FULL NAME "DR. WILLIAM PEARSON"	DATE SIGNED MM/DD/YY July 30, 2003
DIRECTOR'S SIGNATURE "KEN TAYLOR "	PRINT FULL NAME "KEN TAYLOR "	DATE SIGNED MM/DD/YY July 30, 2003
DIRECTOR'S SIGNATURE "NANCY MCINERNEY-LACOMBE"	PRINT FULL NAME "NANCY MCINERNEY-LACOMBE"	DATE SIGNED MM/DD/YY July 30, 2003

DESERT SUN MINING CORP.

Form 51-901F, Schedule B: Supplementary Information

For the Period Ending May 31, 2003

1. Analysis of significant operating expenses

	\$
<u>Management and administrative services expense</u>	
Management salaries and Directors fees	251,440
Bonuses to Directors and officers	207,763
Administrative services fees for corporate secretary and office support staff	67,492
	<u>526,695</u>
 <u>Office expenses, setup & general and administrative expenses</u>	
Telephone and postage	39,466
Office rent and equipment rentals	51,602
Bank charges	2,443
Office leasehold improvements, repairs and maintenance	9,401
Office software, office network, website setup costs, miscellaneous, and others	78,802
	<u>181,714</u>
 <u>Investor relations and shareholders' information</u>	
Trade shows and conferences	56,155
Website based advertising and information	8,208
Investor relations and consulting fees	118,983
Shareholder information mailings and filing fees	13,343
Annual report, shareholder information and mailing costs	94,416
	<u>291,105</u>

MINING INTERESTS

<u>Jacobina Mine</u>	
Open, August 31, 2002 (audited)	35,836
Option payment	100,000
Exploration crew and geological consulting	399,148
Geophysical surveys	32,766
Drilling and assaying	469,373
Feasibility study	261,746
Property title	5,135
Travel, fuel and supplies	133,285
Administration and computer charges	169,440
Close, May 31, 2003 (unaudited)	<u>1,606,729</u>

2. Analysis of related party transactions.

Refer to Note 9 of the unaudited financial statements as of May 31, 2003

DESERT SUN MINING CORP.

Form 51-901F, Schedule B: Supplementary Information

For the Period Ending May 31, 2003

3. Summary of securities issued during the period

(a) Summary of securities issued during the period

See Note 3 of the unaudited financial statements as of May 31, 2003

No securities were issued during the third quarter ended May 31, 2003

(b) Summary of options granted during the period

Date	Number	Name of Option	Exercise Price \$
16/09/2002	200,000	Ian MacNeily	0.40
16/09/2002	396,000	Mark Brennan	0.40 - 0.80
15/10/2002	200,000	Robert Chapman	0.55
15/10/2002	100,000	Robert Moriaty	0.55
04/02/2003	1,439,997	See attachment	1.00
23/04/2003	25,000	Tony Wonnacott	1.00
23/04/2003	150,000	Michael Baybak	1.00
23/04/2003	100,000	Stephen Woodhead	1.00
	<u>2,610,997</u>		

4. Summary of securities as at the end of the reporting period

(a) Description of share capital

Authorized - unlimited common shares without par value

(b) Number and recorded value of share capital

26,760,529 common shares valued at \$13,687,304

(c) Summary of options and warrants at period end

Options

Refer to Note 4 of the unaudited financial statements as of May 31, 2003

Warrants

Refer to Note 6 of the unaudited financial statements as of May 31, 2003

(d) Number of shares in each class of shares subject to escrow or pooling agreements

None

5. List of names of the directors and officers as of May 31, 2003

Stan Bharti	Kam Gill
Gerald McCarvill	Stephen Woodhead
Ken Taylor	Mark Brennan
Peter Bojtos	Kurt Menchen
William Pearson	



New Options Granted:

Name of Optionee	Date of news release disclosing grant (if applicable)	Position of Optionee (Director/ Officer/Employee/ Consultant)	Date of Grant	No. of optioned Shares	Exercise Price	Expiry Date
Gerald McCarvill	Feb 28, 2003	Director	Feb 4, 2003	173,333	\$1.00	Feb 4, 2008
Stan Bharti	Feb 28, 2003	Director	Feb 4, 2003	346,666	\$1.00	Feb 4, 2008
Ken Taylor	Feb 28, 2003	Director	Feb 4, 2003	43,333	\$1.00	Feb 4, 2008
Peter Bojtos	Feb 28, 2003	Director	Feb 4, 2003	86,666	\$1.00	Feb 4, 2008
Bill Pearson	Feb 28, 2003	Director	Feb 4, 2003	173,333	\$1.00	Feb 4, 2008
Kurt Menchen	Feb 28, 2003	Officer	Feb 4, 2003	173,333	\$1.00	Feb 4, 2008
Kam Gill	Feb 28, 2003	Officer	Feb 4, 2003	43,333	\$1.00	Feb 4, 2008
Robert Moriaty	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008
Wade Dawe	Feb 28, 2003	Consultant	Feb 4, 2003	100,000	\$1.00	Feb 4, 2008
Chuck Thorman	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008
David Williamson	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008
Ian Gordon	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008
Richard Garnett	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008
Pacific International	Feb 28, 2003	Consultant	Feb 4, 2003	50,000	\$1.00	Feb 4, 2008

Total number of optioned shares: 1,439,997

DESERT SUN MINING CORP.

Form 51-901F – Schedule C: Management Discussion and Analysis

For the nine months ended May 31, 2003.

General

Desert Sun Mining Corp. (“Desert Sun” or the “Corporation”) is involved in the exploration and development of precious metals projects. The Corporation is currently not in production on any of its properties. In the past 18-months the Corporation has substantially reorganized its operations, including the appointment of new officers and directors. In May 2002, Desert Sun acquired an option to earn a 51% interest in the Jacobina Mine and related mineral concessions located near Jacobina, Brazil. The option agreement required the Corporation to pay \$25,000 upon execution and requires Desert Sun to spend US\$2 million on the Jacobina property prior to December 31, 2004 to earn a 51% interest. The Jacobina project has been the focus of the Corporation’s activities since that time and it is anticipated that Desert Sun will meet its expenditure commitment by the end of calendar 2003.

In the year prior to May 2002, the Corporation was inactive. In August 2002, the Corporation raised \$2 million and in September 2002 began a Phase I drilling program. In September 2002, the Corporation also entered into a Memorandum of Understanding (“MOU”) whereby it can acquire the remaining 49% interest in the Jacobina property by paying \$100,000 upon execution of the MOU and an additional \$5 million, in cash or shares of Desert Sun, within 90 days of earning the initial 51% interest in the property. The vendor has the option to require up to 50% of the \$5 million to be paid in the equivalent value of common shares of Desert Sun.

Results of Operations

In the three months ended May 31, 2003, the Corporation invested \$766,000 in mineral properties, all of it relating to the Jacobina property, compared with investments of \$403,000 and \$438,000 incurred on the property during the previous two quarters, respectively. The total investment in the Jacobina property as at May 31, 2003 was \$1,606,729 (approximately US\$1,060,000), as part of the Corporation’s commitment to invest US\$2 million prior to December 31, 2004 to earn a 51% interest in the Jacobina concession, and was comprised of:

Acquisition costs (option payments)	\$	125,000
Exploration crew and geological consulting		408,148
Geophysical surveys		32,766
Drilling and assaying		469,373
Feasibility study		261,746
Property title		5,135
Travel, fuel and supplies		134,962
Administration and computer charges		<u>169,599</u>
	\$	<u>1,606,729</u>

For the three months ended May 31, 2003, the Corporation had a net loss of \$441,785 (\$0.02 per share) in comparison to \$794,973 (\$0.03 per share) during the previous quarter and a net loss \$10,879 (\$0.00 per share) for the corresponding period in 2002.

The increase in expenses in fiscal 2003 follows the assembly of a management team and staff and work beginning in earnest on the Jacobina concession in September 2002. Significant operating expenses occurred in the third quarter were as follows:

Management and administrative staff compensation fees were \$122,547 for the quarter ended May 31, 2003 (2002: \$400), versus \$250,050 in the quarter ended February 28, 2003 and \$154,098 in the first quarter. The second quarter results included \$148,000 in bonuses disbursed in February 2003, versus \$65,000 in the first quarter.

Shareholders' information and investor relations expenses totaled \$171,419 in the quarter ended May 31, 2003, versus \$91,825 and \$27,861 in the previous two quarters, as Desert Sun undertook additional investor relations activities to increase awareness of the Corporation and its project. Activities included attendance at trade shows and internet based advertising; while substantial costs were incurred on related activities in Europe. **Please see Schedule B for a detailed breakdown of the costs.**

Office expense, setup and general administrative expenses during the third quarter were \$36,711, following on the decrease to \$47,842 in the second quarter from \$49,319 in the first quarter. The first quarter included the setup costs of the Corporation's Toronto office and the closing down of the Vancouver office. **Please see Schedule B for a detailed breakdown of the costs.**

Exploration update

Upon the completion of the \$2 million equity private placement in late August and early September 2002, the Corporation undertook a Phase I exploration and drilling campaign. The objective of the program was to explore the Jacobina property in order to further understand its geology and mineralization. In Phase I, the Corporation selected eight areas for drilling; three areas around the existing mines and five areas in extensions of the favourable stratigraphy. Drilling in Phase I was completed in early January 2003 and disclosed in press releases, dated January 20 and March 10, 2003. In total, Phase I drilling comprised 12 holes, totaling 2,250 metres. In addition to the drilling results, the Corporation also identified extensions of the favourable rock units immediately north of its Jacobina holdings in its Phase I exploration program and applied for an additional 10,500 hectares in exploration licenses in the state of Bahia, Brazil. The area is located 50 kilometres north of the town of Jacobina and is accessible by road.

Based on the encouraging results of its Phase I program, which indicated a continuous mineralized zone up to 10 kilometres long of low grade, potentially open-pittable material within 50-60 metres of surface, in late February the Corporation raised an additional \$4.7 million and commenced a Phase II exploration program on the property in late March. Phase II is expected to include 8,000 metres of diamond drilling, geophysical surveys and regional exploration. The budget for Phase II is \$2.3 million (US\$1.5 million) and the program will continue through the remainder of 2003, as outlined in a press release dated April 9, 2003.

On May 1, 2003 the Corporation announced that it had instructed SNC-Lavalin, Dynatec Corporation and Micon International Limited ("Micon") to expand the scope of the pre-feasibility study at Desert Sun's Jacobina mine to a feasibility study as defined under National Instrument 43-101. Completion of the feasibility study, expected by August 2003, means that the Corporation could make a production decision immediately thereafter and, depending on the results, start mine re-development and construction by early next year. The Jacobina mine includes three past producing areas that collectively produced 700,000 ounces of gold between 1983 and 1998. These mines, located in the southern part of the Bahia Gold Belt, currently host all of the 1.4 million ounces of measured and indicated mineral resources (15,024,000 tonnes grading at 2.87 g Au/t) and most of the 2.2 million ounces of the inferred mineral resource (22,947,000 tonnes grading at 3.10 g Au/t) previously referenced by the Corporation and reviewed by Micon. There is a processing plant at the site that has a one million tonne per year capacity. SNC-Lavalin will complete a feasibility study that will determine the capital and operating costs and develop a detailed time line to put the existing mine back into production. SNC-Lavalin will also investigate the open pit potential of the mineralization around Jacobina.

In July 2003, the Corporation received promising results from the first holes it drilled into its Morro do Vento target zone, located 1.5 kilometres south of the existing Jacobina processing plant. These are the first holes in a planned 29 hole, 4,000 metre program focused on the Intermediate reef package that averages about 70 metres in width and extends along strike for 2 kilometres. Further, the results of an induced polarization geophysical survey at Morro do Vento indicated that the mineralized horizon likely extends over 400 metres down dip into the valley.

Financial Conditions, Liquidity and Capital Resources

As Desert Sun has not yet begun production on any of its properties, the Corporation does not have any cash flow from operations. The Corporation receives cash for use in operations from issuing common shares, sales of selected assets and investment income. During the three months ended May 31, 2003, no common shares were issued.

During the first quarter of fiscal 2003, the Corporation issued 114,290 common shares for gross proceeds of \$13,715 from the exercise of stock options, while during the second quarter the Corporation issued 120,000 common shares for gross proceeds of \$60,000 from the conversion of 120,000 warrants. On February 28, 2003 the Corporation completed a private placement of 4.7 million common shares and an attached one-half warrant for gross proceeds of \$4.7 million. The attached warrants are convertible into common shares at \$1.25 per share until August 28, 2004. In December 2002, the five million special warrants issued in the private placement in August 2002, were converted into five million common shares and three million warrants for no additional consideration.

As at May 31, 2003 the Corporation had cash and cash equivalents totaling \$3.6 million and no significant debt outstanding.

After the quarter end, on July 23, 2003, Desert Sun announced the closing of a \$5 million underwritten private placement, including the exercise in full of the underwriter's option. A total of 4,545,455 units were issued at a price of \$1.10 per unit for aggregate gross proceeds of \$5,000,000. Each unit consists of one common share and one-half of one common share

purchase warrant. Each whole warrant entitles the holder to acquire one common share at the price of \$1.35 for a period of two years from the closing date. Proceeds from the offering will be used to expand the exploration program following the recently announced discovery at Morro do Vento and for working capital purposes. Sprott Securities Inc. acted as underwriter in connection with the financing.

Comparison of use of proceeds

In its private placement filing of August, 2002, the Corporation stated it intended to spend up to \$1.6 million on exploration of the Jacobina property and the remainder (\$400,000) for working capital and issue costs. From the private placement of 4.7 million shares completed on February 28, 2003, the Corporation estimated that \$2.2 million would be used to fund the Phase II exploration program, \$500,000 the preparation of a feasibility study and the related documents and the remainder for general corporate use, issue costs and working capital.

Shown below is the actual use of those proceeds up to May 31, 2003.

Category	Estimated Use	Actual at May 31, 2003	Notes
Exploration	\$3,800,000	\$1,344,983	The Corporation has \$3.6 million in cash on hand to continue the exploration program.
Feasibility study	\$ 500,000	\$ 261,746	The feasibility study has commenced and is expected to be completed by the end of August 2003.
General corporate Expenses (working capital), and Issue costs	\$2,400,000	\$1,258,283 \$ 186,467	See schedule B for a detailed breakdown of these costs.

Corporate

On July 2, 2003 Desert Sun announced the appointment of Nancy E. McInerney-Lacombe as an independent member of the Board of Directors. Ms McInerney-Lacombe is a senior executive with close to 30 years of domestic and international experience in the financial sector. The Corporation was also proactive in appointing four separate Board Committees. Other than the Audit Committee, which is comprised of only outside directors, the other committees are comprised of a majority of outside directors. These committees are as follows:

- Corporate Governance Committee
- Nominating Committee
- Compensation Committee

The common shares of Desert Sun began trading on the **Toronto Stock Exchange** on Wednesday, July 23, 2003 under the trading symbol "DSM" and were concurrently delisted from the TSX Venture Exchange.

Future Prospects

The Corporation will continue to focus its efforts on the exploration and development of the Jacobina property. The Corporation anticipates it will earn its initial 51% interest in the Jacobina property in late 2003 upon the completion of the Phase II exploration program and feasibility study being conducted by SNC-Lavalin, Dynatec Corporation and Micon International Limited. Completion of the feasibility study, expected by August 2003, means that Desert Sun could make a production decision immediately thereafter and, depending on the results, start mine re-development and construction by early next year. SNC-Lavalin will also investigate the open pit potential of the mineralization around Jacobina.

The ability of the Corporation to continue operations beyond 2004 is dependent upon obtaining the necessary financing to develop the Jacobina project and/or the realization of proceeds from the sale of this property.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Form 6-K to be signed on its behalf by the undersigned, thereunto duly authorized.

Desert Sun Mining Corp. -- SEC File No. 000-29610
(Registrant)

Date: January 29, 2004 By /s/ Stan Bharti
Stan Bharti, President/CEO/Director