



British Columbia Securities Commission

QUARTERLY AND YEAR END REPORT

BC FORM 51-901F
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INCORPORATED AS PART OF: SCHEDULE B & C

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ISSUER DETAILS		FOR YEAR ENDED			DATE OF REPORT		
NAME OF ISSUER		Y	M	D	Y	M	D
MANO RIVER RESOURCES INC.		02	01	31	02	05	15
ISSUER ADDRESS							
600 – 890 WEST PENDER STREET							
CITY/	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.			
VANCOUVER	BC	V6C 1J9	604-687-1327	604-689-1700			
CONTACT PERSON		CONTACT'S POSITION			CONTACT TELEPHONE NO.		
SHIRAZ (RAZ) HUSSEIN		CONTROLLER			604-689-1700		
CONTACT EMAIL ADDRESS		WEB SITE ADDRESS					
N/A		www.manoriver.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	PRINT FULL NAME	DATE SIGNED		
"TOM G. ELDER"	TOM G. ELDER	Y	M	D
		02	05	15
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED		
"GUY E. PAS"	GUY E. PAS	Y	M	D
		02	05	15

MANO RIVER RESOURCES INC.

Schedule B

As at January 31, 2002

Supplementary Information

1. Analysis of expenses:

See financial statements

2. Related party transactions:

See financial statements

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

(a) Securities issued during the period

See financial statements

(b) Options granted during the period

See financial statements

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

(a) Authorized

See financial statements

(b) Issued and outstanding

See financial statements

(c) Stock options and Warrants outstanding:

See financial statements

(d) Shares in escrow or subject to pooling

See financial statements

5. Directors and Officers of the Company:

Tom G. Elder, President and Director
Guy E. Pas, Co-Chairman and Director
P. Anthony Rhatigan, Co-Chairman and Director
Peter R. Dwerryhouse, Director
Rod C. McKeen, Director and Secretary
Roger Haiat, Director

MANO RIVER RESOURCES INC.

Schedule 'C'

Management Discussion

For the Year Ending January 31, 2002

The Consolidated Financial Statements for Mano River Resources Inc. ("Mano" or the "Company") covering the year ending January 31, 2002 are provided herein for your review.

Description of Business

Mano River Resources Inc is engaged in the acquisition, exploration and development of gold and diamond properties. The Company, through its subsidiaries, holds interests in properties located in Liberia, Sierra Leone and Guinea.

Operations and Financial Condition

For the year ended January 31, 2002, the Company incurred a net loss of \$2,283,123 as compared to a net loss of \$586,231 for fiscal year 2001. This is a \$1,696,892 increase in net loss compared to fiscal 2001. The increase in the write off of resource property to \$1,863,333, as compared to \$120,000 in fiscal year 2001, was mainly due to write off of the Van Stone zinc mine property and includes a sum of \$23,639 written off in respect of three licenses in Liberia. The operating expenses were \$436,846 for 2002, compared with \$489,690 for 2001. The decrease of \$52,844 over 2001 was due to decrease in foreign exchange loss and other administrative cost savings. Income for the year was \$17,056, as compared to \$23,459 in 2001, a decrease of \$6,403. Total assets on January 31, 2002 were \$11,436,086 as compared to \$12,152,037 in 2001. As at January 31, 2001, the Company had total current liabilities of \$1,197,609 as compared to \$639,685 for the same period in 2001. This includes \$340,610 provision for reclamation and \$712,997 due to related parties for management fees, bridging loan and reimbursable expenses. Subsequent to year ended January 31, 2002, US\$294,395 of the debt was retired by issue of Company shares and US\$200,000 was converted to unsecured convertible debenture, scheduled for repayment on April 30, 2004.

As at January 31, 2002, the Company had cash and cash equivalents of US\$127,876 as compared to US\$225,278 for the same period in 2001. The Company had as at January 31, 2002 working capital deficiency of \$1,069,733 as compared to working deficiency of \$414,407 in 2001.

The Company's ability to continue its operations is dependent on its ability to secure additional financing and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing.

Exploration and Project Development

During the year under review, the principal focus of the exploration effort has been the diamond indicator mineral reconnaissance programme over the Bea Mountain and Kpo Licences in Liberia, together with the identification and delineation of the Kpo kimberlite cluster first discovered in December 2000.

LIBERIA

Diamond Programme

In April 2001, Mano announced the results of independent microdiamond testwork on three samples taken from the newly discovered **K001** and **K002** kimberlite pipes on its Kpo Range Licence. The testwork was conducted by Lakefield Research Limited in Canada. Both microdiamonds and macrodiamonds were recovered from the samples.

The Company was most encouraged by, firstly, the relatively short time it had taken to make this important discovery of the first kimberlite cluster, secondly, the fact that the newly discovered kimberlites were clearly pipes, rather than dykes and, thirdly, that these very first pipes sampled proved to be diamondiferous. These results, taken together with the fact that earlier, on March 26th, the Company announced the discovery of a third kimberlite pipe, designated **K003**, situated in the same cluster some 500m from **K001**, gave Mano the confidence to contemplate a more intense exploration effort in the area of this important new Liberian discovery.

The **K001** pipe has approximate surface dimensions of 200m by 110m and is dominated by diatreme facies kimberlite at surface, with hypabyssal facies kimberlite outcropping in one area of the pipe. Both facies types were sampled for microdiamond analysis.

The **K001** diatreme facies kimberlite sample weighed 122.33kg (wet). Some 18 diamonds were recovered of which 4 (22%) were classified as macrodiamonds, having at least one dimension in excess of 0.5mm. The 18 diamonds weighed a total of 0.018 carats, with the largest stone measuring 1.23mm x 0.88mm x 0.83mm (for a weight of 0.00798 carats). Some 17 of the 18 diamonds (94.4%) were classified as white and transparent with one stone (5.6%) being classified as off-white and translucent. A total of 11 diamonds (61%) were octahedral in shape, with 4 (22%) being macles and 3 (17%) being fragments.

The hypabyssal facies sample weighed 84.5kg (wet). It yielded one microdiamond described as a white transparent fragment weighing 0.008 carats and measuring 0.26mm x 0.20mm x 0.12mm.

The **K002** pipe measured approximately 400m by 50m and comprises both diatreme and hypabyssal facies kimberlite. The single sample collected weighed 102.55kg (wet) and was taken from hypabyssal kimberlite. Some 10 diamonds were recovered, of which 2 (20%) were classified as macrodiamonds. The 10 diamonds weighed a total of 0.003 carats, with the largest diamond

measuring 0.6mm x 0.51mm x 0.37mm (for a weight of 0.001175 carats). Some 9 of the 10 diamonds (90%) were classified as white and transparent with one stone (10%) being classified as grey and translucent. A total of 5 diamonds (50%) are octahedral in shape, with 2 (20%) being macles and 3 (30%) being fragments.

In April, Mano announced the discovery of a further two previously unmapped kimberlites, designated **K004** and **K005**. **K004** is located approximately 5 km north of the **K001** and **K003** pipes, while **K005** is situated approximately 6 km to the west. Artisanal miners are mining diamondiferous gravels associated with and on top of the **K004** kimberlite and are reported to be recovering diamonds of good quality. Investigation of kimberlite **K005** showed that it is of insignificant size and has no economic potential. No further work is therefore planned on this occurrence.

Significantly, one of the samples from the **K004** kimberlite contained a clear dodecahedral diamond in the +0.71mm size fraction.

In June 2001, Mano announced the discovery of a sixth new and previously unmapped kimberlite, designated **K006**. It is located approximately 150m to the north-east of the 4 hectare **K003** pipe, independent petrographic analysis confirming it as a separate kimberlite intrusion of diatreme facies. Artisanal diamond workings in the immediate area are thought to be on top of the kimberlite.

As well as the high interest kimberlite indicator anomalies which Mano has generated, the Company is particularly encouraged by the scale of artisanal diamond mining, which has been ongoing since the 1950s. The area is reported to have yielded many large and gem quality diamonds, with sizes of 55-carats and 131-carats being reported from drainages where Mano has recovered indicator minerals but has yet to discover the associated kimberlite sources. Furthermore, artisans are presently recovering diamonds over and/or downstream of the **K001**, **K002**, **K003**, **K004** and **K006** kimberlites, lending support to the contention that they contain macrodiamonds. Mano has to date recovered macrodiamonds from samples collected over kimberlites **K002**, **K003** and **K004**.

In July 2001, Mano announced the results of Lakefield microdiamond test work on the **K003** kimberlite pipe, which yielded 16 diamonds, of which 14 are classified as microdiamonds and 2 as macrodiamonds, with a total weight of 0.012cts. This kimberlite, which is the largest pipe in the cluster so far identified, is located in close proximity to **K001** and **K006**. Separate samples were collected from diatreme and hypabyssal facies kimberlite units of the **K003** pipe. The former dominates the surface area of the pipe and has been intersected in all but one of the delineation pits. A sample comprising 171.86kg of wet diatreme facies kimberlite was collected for analysis, yielding 16 diamonds of which 14 were microdiamonds and 2 macrodiamonds weighing a total of 0.012cts. The largest stone measured 1.28mm x 1.03mm x 0.67mm and weighed 0.007cts. Eleven of the diamonds (69%) were described by Lakefield as 'white transparent' with the remainder 'off-white transparent'. Five of the diamonds (31%) are octahedral in shape, two (13%) are macles, eight (50%) are fragments, while one (6%) is irregular. A single sample, weighing 103.5kg wet, was collected from hypabyssal facies kimberlite. No diamonds were recovered from this sample, which is inconsistent with the mineral chemistry and petrographic analysis.

Although the microdiamond samples confirm that **K003** is diamondiferous, the artisanal diamond mining activity over the kimberlite plus the analytical work conducted to date suggest that this pipe has a better macrodiamond grade than that indicated by the small amount of diamond test work conducted. It is clear that further work is required, and a bulk-sampling programme is being considered by Mano as a means of determining the macrodiamond grade and value of the three kimberlites confirmed as diamondiferous i.e. **K001**, **K002** and **K003**.

The management of Mano continues to be very encouraged by the progress of its diamond exploration programme and fully expects that additional kimberlite discoveries in this new diamondiferous cluster will continue to be made by the Mano exploration team.

Gold programme

In July 2001, in a major press release, Mano reviewed its gold exploration programme in the Bea Mountain Licence.

Highly encouraging results have been obtained from all three of the discoveries drill tested to date, namely, **King George-Larjor (KGL)**, **Weaju** and **Gondoja**, each of which falls within a series of en echelon crustal-scale shear zones which attain a length of 70 kilometres in some cases. The overall mineral resource defined to date comprises approximately 182,000 ounces in the indicated category and approximately 660,000 ounces in the inferred category.

The most recent drilling took place at **Weaju**, where two holes confirmed the discovery of a new zone of high grade (i.e. 6m @ 20 g/t) gold mineralisation, sub-parallel to the Main Zone. Weaju is situated some 30km to the east north east of KGL on the same shear system. During the 1999-00 season, 400m of diamond drilling was completed in a total of eight drill holes, with the style of gold mineralisation encountered found to be very similar to that at KGL. During the current field season, five further diamond drill holes have been put down, the three in the 'Main Zone' yielding the following results:

Hole No.	From - to	Length	Gold grade g/t
WD-9	6 - 8m	2.0m	3.83
	26 - 40m	14.0m	5.71
WD-10	20 - 22m	2.0m	2.82
	34 - 36m	2.0m	2.92
WD-12	42 - 44m	2.0m	2.14
	54 - 56m	2.0m	2.35

Highly encouraging assay results were obtained from the two core holes drilled in a newly discovered "North Zone" at Weaju, situated 250m north of the Main Zone, as follows:

Hole No.	From - to	Length	Gold Grade g/t
WD-13	18 - 24m	6.0m	19.63
WD-14	44 - 50.25m	6.25m	3.68

These assay results, which are uncut, confirm the presence of a new zone of high grade gold mineralisation at Weaju, sub-parallel to the Main Zone. Artisanal mining now taking place on this zone has locally reached a depth of 15m below surface, suggesting that the North Zone strongly merits further investigation and drilling. This season's drilling has lowered the previously calculated tonnage of the Main Zone inferred mineral resource (though to what extent has yet to be independently assessed), while on the other hand revealing the new high grade gold mineralisation in the North Zone. The Main Zone remains open both to the east and at depth, while the North Zone is open in all directions.

Meanwhile, assay results from channel samples in trenches WT6 to WT10 (e.g. WT-8 with 24m @ 5.1 g/t) have demonstrated continuous mineralisation extending from the Weaju Main Zone east into the area called Scrapers Field. In all, in excess of 1,000 metres of strike length of potentially mineralised shears has been defined in the immediate vicinity of the Main and North zones at Weaju.

Mabong Valley

In conjunction with the diamond reconnaissance programme, pan concentrate and stream sediment samples were taken for multi-element analysis including gold. Results from this survey have been integrated with historic data resulting in the definition of a number of new highly anomalous targets for follow up, particularly in ultramafics in the **Mabong Valley** area 20 km to the north east of KGL. Significantly, the gold anomalies associated with these new targets are much higher than those related to Weaju, for example (i.e. values frequently in excess of 60 ppb gold). Extensive active alluvial workings also point to a local source for the gold. A follow-up programme of detailed soil and stream sediment geochemistry will be the next stage in exploration.

King George-Larjor (KGL)

The first prospect to be drilled by Mano was **King George-Larjor (KGL)**, where detailed work rapidly outlined an apparently major zone of shear zone hosted gold mineralisation, already the subject of extensive artisanal mining. Subsequently, drilling defined three zones, namely 'Larjor', 'King George' and 'East'. Independent estimates carried out by ACA Howe Limited put the mineral resource for the three zones at 1,078,000 tonnes grading 5.2 g/t (182,000 ounces) in the indicated category and a further 3,009,000 tonnes grading 4.4 g/t (427,000 ounces) in the inferred category. Soil geochemical anomalies, trenching and artisanal mining have demonstrated the existence of potential extensions to the mineralised shear zone totalling 2.5 km, both east and west of the sector drilled to date, while all three zones remain open at depth.

Gondoja

The third prospect drilled by Mano in western Liberia is **Gondoja**, situated approximately 10km ENE of Weaju within the Bea Licence. The host rock to the gold mineralisation is a strongly sheared mafic-ultramafic, the gold itself being associated with disseminated sulphides, principally pyrrhotite. Of the five drill holes completed to date, the best intersection was obtained in hole GD-4, which returned **30m @ 3.9 g/t gold**, beneath the main artisanal pit. The higher grade subsection in hole GD-4, i.e. 12m @ 7.0 g/t gold, compares well with the 6m @ 10.1 g/t obtained from a channel sample in overlying artisanal surface workings. The zone is open to the west and at depth. Follow up work has demonstrated the presence of numerous highly anomalous gold values (of up to 9 g/t) in stream sediments within a fifty square kilometre area immediately to the west of Gondoja, where soil grids are planned to guide the next phase of drilling.

Conclusion

The overall conclusion drawn by the Company from the results of its work to date is that western Liberia has the potential to develop into a major new Archaean gold province, conceivably on a scale to match that of Tanzania. Having achieved, at the highest risk pioneering phase, a discovery cost for mineral resources of under \$5 per ounce, future finds can be expected to be made at an even more cost effective rate. Furthermore, because of its large land holding which was granted as a consequence of its early pioneering entry into Liberia in 1997, Mano has the option of developing several deposits simultaneously using a centrally placed treatment facility. This has the potential to further enhance the economics of the projects, the aim being the creation of new, large-scale mining enterprises such as operated in Liberia during the 1950s to 1980s.

SIERRA LEONE

Throughout the year, exploration work on the Company's five Exclusive Prospecting Licences for gold and diamonds in **Sierra Leone** was prevented by civil unrest and, in November 2001, the Mines Division of the Ministry of Mineral Resources in Freetown granted suspension of work requirements for a further six months, to May 2002. Three Licences, each of approximately 103 square kilometres, are located in the historically diamond producing Kono area, centred on Yengema and N'Jaiama Nimikoro respectively. These properties target the central and western part of the Koidu-Yengema kimberlite dyke swarm. The principal target is gold in the other two Licences, situated in the Sula Mountains in central Sierra Leone.

In January 2002, the Government of Sierra Leone formally announced the completion of the process of disarmament, bringing with it the promise of an early resumption to exploration work on the Company's licences.

GUINEA

There was no exploration activity during the period under review.

Corporate Developments

In May, Mano announced that it had granted, subject to regulatory approval (which was subsequently obtained), incentive stock options to certain directors, officers, employees and consultants of the Company to purchase up to an aggregate of 1,050,000 common shares of the Company at an exercise price of Cdn\$0.22 per share (approximately GB£0.10 at an exchange rate of Cdn\$2.19/GB£) until May 1st, 2006.

In July 2001, the Company announced the closure of a Brokered Private Placement which raised GB£420,000 (Cdn\$911,400). The Placing was arranged in the UK and Europe of six million common shares at GB£0.07 (Cdn\$0.15) per share as to £210,000 (Cdn\$455,700) by the Company's Nominated Broker for AIM, Seymour Pierce Ellis, and as to £210,000 (Cdn\$455,700) by Loeb Aron & Company Ltd. The proceeds of the Placing were to be used by the Company to enable it to advance its diamond exploration programme, particularly with respect to the kimberlite discoveries made in the Kpo Licence, Liberia, to continue its exploration programme over a range of promising diamond and gold targets elsewhere, and for general working capital purposes.

In September 2001, Mano announced that it had approved, effective August 31st, 2001, arrangements reached with a number of parties to satisfy GB£247,171 (approximately Cdn\$541,300) of accrued amounts due for payment with Mano shares at a price of GB£0.07 (approximately Cdn\$0.15) per share. The debt settlement, in combination with the private placement closed in July, strengthened Mano's financial position as it aggressively pursued exploration of its promising mineral properties in the Mano River Union countries.

The debt settlement represents amounts mainly incurred up to the end of the 2000-01 financial year and owing directly or indirectly to directors, or companies with which they are associated, and senior officers of Mano for directors' fees, management services, reimbursable expenses and certain advances. The Board considers that the settlement of these amounts in shares will preserve the Company's cash to continue to advance exploration of its properties.

In January 2002, the Company announced that it had reached an agreement with Resources Investment Trust on a two part transaction, which became effective when the Trust completed its offering and achieved admission of its shares for listing on the London Stock Exchange on January 24th, 2002. The initial transaction was for Mano to acquire 68,750 shares of the Trust at a price of GBP1.00 each by issuing 2,500,000 common shares of the Company at a price of GBP0.0275 per share.

The second part of the transaction, which followed the Trust's listing, involved the Company issuing 2,100,000 common shares at GBP0.0325 each for cash proceeds of GBP68,250 (approximately US\$100,000).

The transactions with the Trust, which received regulatory approvals, provided the Company with cash for working capital, while the shares of the Trust became marketable securities after an initial three month escrow period.

Investor Relations

Material developments affecting the Company during the year under review, and the subsequent period, were reported in a total of eighteen **News Releases**. At the same time, numerous compliments have been received by the Company concerning its very comprehensive website, www.manoriver.com.

Maintenance of optimum investor relations remains of prime importance to the Company and, in the interests of maintaining the best possible service, an experienced new firm, St Brides Media and Finance, was appointed to handle Mano's investor relations.

Mano was again represented at this year's major African Mining Conference, 'INDABA', in Capetown in February. The following month saw a very large number of visitors to the Company's booth at the PDAC conference in Toronto.

Subsequent events – Corporate

On March 21st, 2002, the Company granted incentive stock options ("Options") to the following directors: Anthony Rhatigan, two million; Guy Pas, two million; Tom Elder, one million; to purchase common shares in the capital stock of the Company. The Options, which were approved by the Canadian Venture Exchange subject to a four month hold period, are exercisable at a price of Cdn\$0.11 per share for a period of five years ending on March 21st 2007. The Company also announced that, further to its news release of January 25, 2002, the second part of the transaction with Resources Investment Trust PLC ("Trust"), whereby Trust agreed to purchase 2,100,000 common shares of the Company at a price of GBP0.0325 per share for total proceeds of GBP68,250 (approximately US\$100,000), closed on March 7, 2002. This transaction received Canadian Venture Exchange approval on February 5, 2002. The proceeds from this transaction were to be used for general working capital.

In its most recent release, on May 13th 2002, Mano announced that it had arranged, subject to regulatory approval by the TSX Venture Exchange, a non-brokered Private Placement under which AIM-listed Golden Prospect plc will invest GBP244,000 in new Mano shares. At the same time, the two companies concluded a Heads of Agreement under which they will combine and jointly explore their contiguous exploration licences in the Sonfon region of central Sierra Leone.

The placing is at a price of GBP0.04 per share and application will be made for the 6,100,000 new shares to be admitted to trading on AIM. Following the placing, Golden Prospect will hold a total of 6.6 million Mano shares representing approximately 5.7% of the issued share capital of the Company.

Under the Heads of Agreement signed between Mano and Golden Prospect, Mano as operator will undertake and fund the initial US\$75,000 of an exploration programme for the 50:50 Joint Venture. Gold targets within their adjoining exploration licences, which total 256 square kilometres, will be investigated by geochemical soil grids and trench sampling and assaying. The licences are located in the Sonfon region of central Sierra Leone, within the Sula Mountains, an area underlain

by the pre-eminent greenstone belt in Sierra Leone. Previous work by the partners on their respective licences included regional geochemistry, which has identified gold occurrences related to major shear structures in areas with extensive artisanal gold workings.

The proceeds of the Placing will be used by Mano to fund the first phase of the joint venture programme in Sonfon, to continue the Company's exploration programme over its range of promising hard rock gold and diamond targets elsewhere in the *Mano River Union* countries, and for general working capital purposes.

Mano is pleased to welcome Golden Prospect plc, one of the emerging diversified junior mining funds listed on AIM (ticker symbol: GOL; website: www.goldenprospectmining.com), as a significant shareholder and joint venture partner of the Company. Furthermore, this combined deal brings to fruition the synergies inherent in their adjacent Sonfon prospects, which the partners first discussed in 1996. Taken together with the resurgence of interest in the markets for gold exploration and emerging markets, in particular Sierra Leone, this bodes well for a strong, mutually beneficial relationship.

Subsequent Events – Exploration

In February 2002, Mano announced that the company was to recommence its diamond exploration programme in the highly prospective diamondiferous Kono District of Sierra Leone, across its three Exclusive Prospecting Licences ("EPLs") which were originally acquired between 1996 and 1998.

The Company's scheduled work programme follows the official declaration, on the 18th January 2002, of the cessation of the civil war in the country which has been preventing exploration and mining development. The ceremonial burning of a stockpile of arms in Freetown three weeks earlier, attended by regional Heads of State, was a symbolic event to mark the country's return to stability and peace. The world's largest UN contingent is expected to remain in Sierra Leone for the foreseeable future and to assist with the forthcoming elections due in May 2002.

The three Mano diamond Licences (Yengema East, Njaiama-Nimikoro and Nimini) lie immediately adjacent to the well-known diamondiferous Koidu kimberlite pipes (see the Company's website www.manoriver.com for location map). These pipes, on which mining commenced in the 1960s, have reported grades and diamond values of 35cpt and \$200/ct, respectively. In addition, the Koidu and Yengema area has been extensively mined for alluvial diamonds, mainly by artisans but also by private and state-owned companies. In 1969, total historical diamond production from alluvial sources in the immediate Koidu area was estimated to be 9 million carats (Hall P.K. (1969); *The Diamond Fields of Sierra Leone*). The dyke swarm associated with the Koidu pipes is reported to extend into Mano's Yengema and Njaiama Nimikoro licences.

Mano considers that the Koidu pipes and associated dykes are unlikely to be the sole sources for the diamonds produced from the Kono area and believes that undiscovered kimberlites occur within its licences. Evidence includes the many artisanal workings that produce diamonds of distinctly different colour and morphology to those of Koidu, which are mainly coated.

Furthermore, many of the alluvial diamonds are exploited in areas where the topography suggests new primary sources, unrelated to the known kimberlites in the licences.

Mano subsequently embarked on a detailed indicator mineral stream sediment-sampling programme during March and April 2002, in order to define and localise areas of new kimberlitic occurrences that are the sources of the alluvial diamonds. Results, which are expected by the end of the second quarter, will determine a follow-up programme to identify, delineate and test potential diamond bearing kimberlites.

A similar diamond indicator mineral programme was conducted by Mano in 2000 and 2001 on its licences in neighbouring Liberia and, within six months of inception, a totally new diamondiferous kimberlite cluster had been identified in the Kpo Licence. Some of these Liberian pipes are in the region of 4ha in size, in a region where previously only kimberlite dykes had been known. Mano intends, subject to funding, to complete follow-up work in the Kpo licence area prior to the onset of a bulk-sampling programme to determine the macrodiamond grade and diamond value of the better pipes, encouraged by the presence of artisanal miners in the immediate vicinity who are winning diamonds using sieves with mesh sizes greater than 2mm.

Mano's immediate aim is to repeat, in Sierra Leone, the success it has already amply demonstrated in Liberia.

In March 2002, Mano announced that it had signed two Mineral Development Agreements (MDAs) with the Government of Liberia covering its mineral projects, the Company having successfully completed in the course of 2001 its initial three years exploration on its large Bea and Kpo Licences. The MDA is a key element of the new progressive Liberian Mining Law and Regulations introduced during 2000 and 2001, granting the holder *inter alia*, the following basic rights:

- A three year exploration period, renewable for a further two years for a reduced area
- Automatic and exclusive right to mine discoveries, by declaring production areas
- Mining rights valid for 25 years, renewable for a further 25 years

Since the Liberian MDA constitutes a combined exploration and mining licence, it serves to eliminate the often lengthy process seen in some other countries of negotiation of a mining licence only following the completion of the exploration phase.

The two MDAs which have been granted award Mano exclusive rights to all minerals (other than hydrocarbons) over 1,000 square kilometres in the Bea Mountains and a further 200 square kilometres in the Kpo Range, targeting respectively all the significant gold and diamond prospects to emerge from Mano's exploration programme in Liberia to date.

The basic fiscal terms of Mano's MDAs under which, in view of the anticipated overall scale of its investment the Company has been accorded '*Most Favourable Treatment*' by the National Investment Commission, are as follows:

- Corporation Tax limited to 30%

- Production Royalty of 3%, tax deductible
- Free carried interest to the government of 10%, (but with dividends payable only after recovery of all exploration and construction expenditure and loans)
- Exemption from import tax and duties on capital equipment
- No withholding tax on dividends paid offshore
- Freedom to operate offshore accounts

In April 2002, Mano appointed ACA Howe International Limited of the UK (Howe) and Metallurgical Design and Management Pty Limited of South Africa (MDM) to prepare an independent bankable feasibility study (BFS), for both the King George Latjor (KGL) and Weaju gold properties in the Bea Mountains Licence, with the aim of commencing gold production in 2004 as soon as funding is put in place.

The study will examine the economics of an operation with an initial production from open pits of 25,000 ounce per year. Studies carried out for KGL by Lakefield laboratories in Toronto, suggest that the gold is readily recoverable, with up to 96% recovery achieved in test work. Very preliminary estimates, based on initial data supplied by MDM and using a \$275 per ounce gold price, suggest that both projects should have very robust economics. A gold price of \$300 would clearly further enhance the anticipated return. Both technical and economic estimates are subject to modification based on the final results from the study.

A C A Howe International Limited of the UK (www.acahowe.co.uk) a geological and mining consultancy, have provided expertise on several hundred minerals industry projects at all levels of development, ranging from area selection and grass roots exploration for mining companies to reserve audits and feasibility studies for financial institutions. MDM of South Africa (www.mdm-eng.co.za) are a minerals process engineering and project management company with over ten years experience in plant design, construction and commissioning across a broad range of commodities, processes and countries.

Management encourages shareholders and other interested parties to contact the following individuals at any time for information about the activities of Mano:

Tom Elder	President and CEO	UK +44 (0)1235 810 740
Hugo de Salis	St Brides Media and Finance	UK +44 20 7242 4477
Guy Pas	Co-Chairman	Switzerland +41 22 758 2151
Anthony Rhatigan	Co-Chairman	Mobile +44 (0)7785 297 348