

INTERNATIONAL CURATOR RESOURCES LTD.
THIRD QUARTER REPORT
December 31, 2002

To our shareholders:

The Board of Directors is pleased to present this report to shareholders on the activities of the Company during the fiscal third quarter period.

Takeover Bid for Royal County Minerals

The Company recently signed an agreement with Royal County Minerals Corp. to make a takeover bid for all of the issued and outstanding shares of Royal County, a Canadian publicly traded company listed on the TSX Venture Exchange. Concurrent with the completion of the proposed takeover, Mr. Ron Netolitzky, one of Canada's leading exploration geologists, will join the Board of Directors of Curator. Mr. Netolitzky brings years of successful exploration experience and technical expertise to the Company. Mr. Netolitzky led the team that was responsible for the discovery of Eskay Creek, one of Canada's highest grade and most and profitable gold mines, as well as the development of the Snip gold mine.

Royal County has a number of exciting and interesting gold/copper/silver exploration properties in B.C., complementary to Curator's B.C. properties, making for an ideal match. With a focus on Canada, Curator's objective is to continue to add top gold projects to its portfolio and build one of Canada's leading gold exploration companies.

Pursuant to the terms of the Agreement, Curator will make a share exchange takeover bid, on or before March 15, 2003, to the shareholders of Royal County, for all of the issued and outstanding shares of Royal County at an exchange ratio of 4 Curator common shares for each Royal County share. Royal County has 5,617,489 common shares issued and outstanding and on a fully-diluted basis Royal County would have 10,209,989 common shares issued and outstanding. One of the provisions of the letter agreement between the parties is that upon the successful completion of the proposed takeover bid, the shares of the Company will be consolidated based on a ratio of 1 new share for 5 old shares. The making of the takeover bid is subject to a number of conditions, including due diligence and the obtaining of all requisite regulatory approvals.

Assean Lake Gold Project, Manitoba

Curator is currently drilling its Assean Lake gold project in Manitoba. Up to 4,500 metres of diamond drilling is scheduled for this program to test new targets defined by an extensive geophysical and geochemical survey carried out during the summer of 2002. The survey has defined targets on strike with the Hunt, B-52 and BIF gold zones. In addition, a number of new targets have been defined on the north shore of Assean Lake near the Lindal gold vein. In January, the Company completed a pulse EM survey to further refine these targets in advance of the drilling program.

The prime exploration target at Assean Lake is shear-hosted gold associated with gold-enriched sulphide iron formation, which are the typical mineralization styles for gold deposits on the Canadian Shield. Since the inception of the project in February 2001, the Company has discovered three new "blind" gold zones, the Hunt, BIF and B-52 zones, bringing the total number of gold zones on the property to seven. This gold mineralization has been discovered locally over a 12 kilometre strike length along the Assean Lake Shear Zone, a 200 kilometre long deformation zone similar to shear zones associated with important gold mining camps elsewhere on the Canadian Shield.

Secondary exploration targets at Assean Lake are nickel deposits of the Thompson-type that are also associated with sulphidic iron formations.

The Assean Lake project is a joint venture between International Curator Resources Ltd. (60%) and Rare Earth Metals Corp. (40%). Curator is the operator.

GJ Copper/Gold Project, B.C.

The GJ gold/copper project is a large property consisting of 77 units (1,862 hectares), covering two significant porphyry copper-gold systems. It is adjacent to Royal County's 13,000 hectare Kiniskan property, which covers the highly prospective areas to the east and north of GJ.

Previous work by a number of companies including Falconbridge, Conwest and Amoco included several phases of mapping, geochemistry, geophysics and diamond drilling between 1970 and 1990, the latter amounting to 52 holes totaling 10,083 metres.

Copper-gold mineralization is associated with a poorly exposed elongated intrusion of monzodiorite, which intrudes andesite and volcanoclastic sediments. The mineralized zones are 250 to 750 metres in length and 50 to 100 metres in width. Drill intercepts grade up to 68.0 metres grading 1.9 g/t gold and 0.70% copper.

The Company carried out ground geophysical surveys (IP and magnetics) over the summer. The geophysics, in combination with historic geochemical data, will be used to locate diamond drill holes to extend the known mineralization and to discover new mineralized zones.

Curator holds a 100% interest in the project.

The Company is entering an exciting new phase with the proposed takeover of Royal County. Curator looks forward to working with Ron Netolitzky to continue to add to the Company's already solid portfolio and build Curator into one of Canada's leading gold exploration companies.

On Behalf of the Board,

(signed) Richard J. Bailes
President

February 17, 2003

**INTERNATIONAL CURATOR RESOURCES LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND OPERATING RESULTS
(Amounts in Canadian Dollars unless otherwise indicated)
DECEMBER 31, 2002**

The following discussion and analysis of the financial condition and results of operations for International Curator Resources Ltd. ("the Company") should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine months ended December 31, 2002 and related notes thereto.

General

The Company is principally engaged in the exploration for, and the acquisition and development of precious and base metal properties. The Company has an option with Rare Earth Metals Corp. ("Rare Earth") to acquire a 70% interest in Rare Earth's interest in the Tex property and a 60% interest in Rare Earth's interest in the Hunt property. The two properties are located at Assean Lake, about 100 kilometers northeast of Thompson, Manitoba. In February 2002, the Company had earned its interest in the Rare Earth's interest in the Tex and Hunt properties and is now operating under joint venture arrangement. In addition, the Company has an option with Hornby Bay to acquire a 100% interest in the Ace property located in Manitoba. The Ace property will be contributed to the Hunt property joint venture.

Subsequent to December 31, 2002, the Company signed an agreement with Royal County Minerals Corp. ("Royal County") to make a takeover bid for all of the issued and outstanding shares of Royal County, at an exchange ratio of 4 of the Company common shares for each Royal County share, on or before March 15, 2003. Royal County has 5,617,489 common shares issued and outstanding, and on a fully-diluted basis Royal County would have 10,209,989 common shares issued and outstanding. The take over bid is subject to a number of conditions, including due diligence and the obtaining of all requisite regulatory approvals.

Results of Operations

The Company's net loss for the third quarter and nine months ended December 31, 2002 were \$143,000 and \$319,000 respectively, as compared to a net income of \$11,000 and a net loss of \$147,000 for the third quarter and nine months of fiscal year 2001. This increase in loss is primarily due to an increase in general and administrative expenses and a decrease in project management fees in respect of overhead and administrative expenses chargeable to the Hunt and Tex properties.

General and administrative expenses for the third quarter and nine months of fiscal year 2002 were \$146,000 and \$334,000, respectively. This represented an increase of \$59,000 and \$92,000 as compared to \$87,000 and \$242,000 for the same comparable periods of fiscal 2001. In particular, stock exchange and filing fees increased by \$44,000 for the third quarter and \$30,000 for the nine months of fiscal 2002 due primarily to fees incurred in connection with the completion of a private placement as noted below. Management fees also increased by \$15,000 for the third quarter and \$53,000 for the nine months of fiscal 2002 as a result of an increase in the level of activities. In addition, interest expenses increased by \$5,000 and \$24,000, respectively, for the third quarter and nine months of fiscal 2002. This is mainly due to an increase in the average balances of loan advances. Interest expenses comprised of accrued interest in respect of loan advances provided by a former director of the Company. Included in general and administrative expenses for the three months ended December 31, 2002 was \$3,000 of stock based compensation expenses in relation to options granted to two consultants.

Project management fees chargeable to the Hunt and Tex properties for the third quarter and nine months of fiscal year 2002 were \$2,000 and \$13,000, respectively. This represented a decrease of \$95,000 and \$84,000 as compared to \$97,000 and \$97,000 for the same comparable periods of fiscal 2001. Project management fees are based on a percentage of the Hunt and Tex properties' expenditures incurred and the Company's share of these expenditures were lower for fiscal 2002.

The operating losses are a reflection of the Company's status as non-revenue producing mineral company. As the Company has no main source of income, losses are expected to continue.

Liquidity and Capital Resources

At December 31, 2002, the Company had working capital of \$358,000. During the quarter ended December 31, 2002, the Company completed a private placement of 9,999,000 non flow-through units and 3,812,500 flow-through common shares for gross proceeds of \$1,017,080. Of the 9,999,000 non flow-through units, 8,784,000 units are priced at \$0.07 per unit and 1,215,000 units are priced at \$0.08 per unit. Each unit will consist of one common share and one-half common share purchase warrant. Each whole purchase warrant will entitle the holder to purchase one additional common share at a price of \$0.10 for a period of two years from the closing date. The flow-through share is priced at \$0.08 per share.

The Company has limited capital resources and has to rely upon the sale of equity and debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues in the near future, it will have to continue to rely upon the sales of its equity and debt securities to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any period or, if available, that they can be obtained on terms satisfactory to the Company.

Mineral Properties

During the nine months ended December 31, 2002, the Company incurred expenditures totalling \$264,000 on the Tex, Hunt and Ace properties. These expenditures comprised mainly of line cutting, geochemistry, ground magnetic and IP surveys and approximately 1,120 meters of diamond drilling. Offsetting these expenditures were \$77,000 of grants received from the Manitoba government under their Mineral Exploration Assistance Program. In addition, the Company incurred \$47,000 on the GJ property.

INTERNATIONAL CURATOR RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS
(in Canadian Dollars)

	December 31, 2002 (Unaudited)	March 31, 2002
ASSETS		
Current assets		
Cash	\$ 351,945	\$ 286,161
Accounts receivable	13,660	144,002
Due from joint venturer	4,246	203,257
Prepaid expenses and other deposits	6,300	5,000
	376,151	638,420
Investments	35,899	35,899
Capital assets, net	-	700
Mineral properties and related expenditures	1,486,390	1,251,877
	\$ 1,898,440	\$ 1,926,896
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 9,479	\$ 402,310
Due to related parties	8,737	19,199
Note payable to related party	-	305,743
	18,216	727,252
SHAREHOLDERS' EQUITY		
Share capital		
Authorized -		
150,000,000 common shares without par value		
Issued and outstanding -		
98,283,727 shares (March 31, 2002 - 84,472,227)	80,611,112	79,615,039
Contributed surplus - stock options	3,487	-
Deficit	(78,734,375)	(78,415,395)
	1,880,224	1,199,644
Subsequent event (Note 5)	\$ 1,898,440	\$ 1,926,896

Approved by the Board

"Richard J. Bailes"
Director

"Lukas H. Lundin"
Director

INTERNATIONAL CURATOR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
(Unaudited)

	Three months ended		Nine months ended	
	2002	December 31, 2001	2002	December 31, 2001
Expenses				
Amortization	\$ 700	\$ -	\$ 700	\$ -
Consulting	15,532	10,469	44,854	43,849
Foreign exchange loss (gain)	209	317	(48)	227
General exploration and project investigation	4,000	-	10,522	806
Interest and financing expenses	5,348	-	24,326	-
Management fees	45,000	30,000	135,000	82,500
Office and general	861	493	1,885	(248)
Professional fees	8,398	17,354	13,130	30,847
Promotion and public relations	8,108	18,913	14,179	35,279
Stock based compensation expense	3,487	-	3,487	-
Stock exchange and filing fees	49,750	5,428	55,370	25,241
Telephone and facsimile	119	1,588	713	2,092
Transfer agent and shareholder information	4,594	2,726	29,168	20,915
Travel	-	-	634	-
Loss before the undernoted items	146,106	87,288	333,920	241,508
Interest income	(863)	(611)	(1,610)	(3,590)
Project overhead fees	(1,888)	(97,377)	(13,330)	(97,377)
Loss on sale of subsidiaries	-	-	-	6,951
Net loss (income) for the period	143,355	(10,700)	318,980	147,492
Deficit, beginning of the period	78,591,020	78,180,027	78,415,395	78,021,835
Deficit, end of the period	<u>\$ 78,734,375</u>	<u>\$ 78,169,327</u>	<u>\$ 78,734,375</u>	<u>\$ 78,169,327</u>
Basic and diluted loss per common share	<u>\$ 0.00</u>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Weighted average number of shares outstanding	<u>89,076,060</u>	<u>78,167,505</u>	<u>86,006,838</u>	<u>78,167,505</u>

**INTERNATIONAL CURATOR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)**

	Three months ended December 31,		Nine months ended December 31,	
	2002	2001	2002	2001
Cash flows (for) operating activities				
Net (loss) income for the period	\$ (143,355)	\$ 10,700	\$ (318,980)	\$ (147,492)
Items not affecting cash				
Amortization	700	-	700	-
Project overhead fees	(1,888)	(97,377)	(13,330)	(97,377)
Stock based compensation expense	3,487	-	3,487	-
	<u>(141,056)</u>	<u>(86,677)</u>	<u>(328,123)</u>	<u>(244,869)</u>
Net changes in non-cash working capital items				
Accounts receivable and other current assets	9,874	34,524	129,042	25,279
Accounts payable and accrued liabilities	(168,943)	(321,046)	(392,831)	(196,841)
Due from joint venturer	46,073	-	199,011	-
Due to related parties	(91,679)	136,012	(10,462)	39,086
	<u>(345,731)</u>	<u>(237,187)</u>	<u>(403,363)</u>	<u>(377,345)</u>
Cash flows from financing activity				
Common shares issued, net	996,073	372,000	996,073	1,049,325
Note payable to related party	(420,122)	-	(305,743)	-
	<u>575,951</u>	<u>372,000</u>	<u>690,330</u>	<u>1,049,325</u>
Cash flows (for) investing activities				
Mineral properties and related expenditures	31,334	5,133	(221,183)	(575,559)
Increase in cash	261,554	139,946	65,784	96,421
Cash, beginning of the period	90,391	320,915	286,161	364,440
Cash, end of the period	<u>\$ 351,945</u>	<u>\$ 460,861</u>	<u>\$ 351,945</u>	<u>\$ 460,861</u>
Supplementary information regarding non-cash transaction:				
Investing activities				
Project overhead fees included in mineral properties and related expenditures	<u>\$ 1,888</u>	<u>\$ 97,377</u>	<u>\$ 13,330</u>	<u>\$ 97,377</u>

International Curator Resources Ltd.
Consolidated Statements of Mineral Properties
and Related Expenditures
(Unaudited)

	Nine months ended December 31, 2002	Nine months ended December 31, 2001
	<u> </u>	<u> </u>
Tex, Hunt and Ace Properties		
Assaying and sampling	\$ 3,126	\$ 19,324
Drilling	71,090	446,765
Field supplies	5,746	6,405
Transportation and travel	14,452	14,740
Geological, geophysical and geochemistry	76,418	124,581
Line cutting	32,217	21,038
Maps and report preparation	13,355	26,878
Consulting	10,791	5,355
Option payments	29,937	40,000
Office miscellaneous	2,495	3,836
Staking	4,451	6,843
	<u>264,078</u>	<u>715,765</u>
Less: mineral exploration grants	<u>(77,482)</u>	<u>(140,206)</u>
	186,596	575,559
Balance - beginning of the period	<u>1,251,877</u>	<u>298,005</u>
Balance - end of the period	<u>1,438,473</u>	<u>873,564</u>
Other Properties - GJ		
Geological and geophysical	<u>47,917</u>	<u>-</u>
	47,917	-
Balance - beginning of the period	<u>-</u>	<u>-</u>
Balance - end of the period	<u>47,917</u>	<u>-</u>
Total mineral properties	<u>\$ 1,486,390</u>	<u>\$ 873,564</u>

**INTERNATIONAL CURATOR RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED DECEMBER 31, 2002
(Unaudited)**

1. Significant Accounting Policies

The unaudited interim consolidated financial statements of International Curator Resources Ltd. (the "Company") are prepared in accordance with accounting principles generally accepted in Canada using, except as discussed in Note 2, the same accounting policies and methods of application as those disclosed in Note 2 to the Company's consolidated financial statements for the year ended March 31, 2002.

These interim consolidated financial statements do not contain all of the information required by generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the consolidated financial statements included in the Company's 2002 Annual Report.

2. Accounting Change

Effective January 1, 2002, the Company adopted the recommendations of the new CICA Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. This section established standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments in exchange for goods and services. The section requires that all stock-based awards made to non-employees be measured and recognized using a fair-value based method. The section encourages a fair-value based method for all awards granted to directors and employees, but only requires the use of a fair value based method for direct awards of stock, stock appreciation rights, and awards that call for settlement in cash or other assets.

The Company has adopted the intrinsic value method in accounting for stock options granted to directors and employees. Under this method, compensation costs are not recognized in the financial statements for stock options granted to directors and employees when issued at market value. The section does, however, require the disclosure on a pro forma basis of the impact on operations of using the fair-value based method for stock options granted to directors and employees on or after January 1, 2002. Under this method, compensation costs are not recognized in the financial statements for stock options granted to directors and employees when issued at market value. If the fair-value based method had been used, the Company's net loss and net loss per share for the three and nine months ended December 31, 2002 would have been adjusted to the pro-forma amounts indicated below.

	<u>Three months ended December 30, 2002</u>	<u>Nine months ended December 31, 2002</u>
Net loss – as reported	\$ 143,355	\$ 318,980
Stock-based compensation expense for the period	<u>90,657</u>	<u>90,657</u>
Net loss – pro-forma	<u>\$ 234,012</u>	<u>\$ 409,637</u>
Basic and diluted loss per share – as reported	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Basic and diluted loss per share – pro-forma	<u>\$ 0.00</u>	<u>\$ 0.00</u>

The fair value of options granted have been estimated using an option-pricing model with the following weighted average assumptions:

- (a) Average risk-free interest rate: 3.46%
- (b) Expected life: 2 years
- (c) Expected volatility: 91%
- (d) Expected dividends: Nil

The fair value of 100,000 options granted to non-employees was also determined using the same option-pricing model assumptions and \$3,487 (\$0.00 per share) has been reflected in the financial statements as stock-based compensation with a corresponding credit to contributed surplus under shareholders' equity.

3. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the presentation in the prior year-end financial statements and the current presentation.

4. Share Capital

The authorized and issued share capital is as follows:

Authorized:

- ? 100,000,000 Class A preference shares, issuable in series with a par value of \$10 each (none issued)
- ? 100,000,000 Class B preference shares, issuable in series with a par value of \$50 each (none issued)
- ? 150,000,000 common shares without par value

	Number of Shares	Amount
	<u> </u>	<u> </u>
Shares Issued:		
Balance, March 31, 2002	84,472,227	\$ 79,615,039
Private placement, net	<u>13,811,500</u>	<u>996,073</u>
Balance, December 31, 2002	<u>98,283,727</u>	<u>\$ 80,611,112</u>

5. Subsequent Event

Subsequent to December 31, 2002, the Company signed an agreement with Royal County Minerals Corp. ("Royal County") to make a takeover bid for all of the issued and outstanding shares of Royal County, at an exchange ratio of 4 of the Company common shares for each Royal County share, on or before March 15, 2003. Royal County has 5,617,489 common shares issued and outstanding, and on a fully-diluted basis Royal County would have 10,209,989 common shares issued and outstanding. The take over bid is subject to a number of conditions, including due diligence and the obtaining of all requisite regulatory approvals.

**INTERNATIONAL CURATOR RESOURCES LTD.
CORPORATE DIRECTORY
DECEMBER 31, 2002**

OFFICERS

Lukas H. Lundin,
Chairman
Richard J. Bailes,
President and Chief Executive Officer
Jan Christoffersen,
Vice President
Jean Florendo,
Corporate Secretary
Wanda Lee,
Controller/Treasurer

DIRECTORS

Michael McInnis *
Lukas H. Lundin
William A. Rand *
John H. Craig *
Richard Bailes

* Audit Committee

AUDITORS

Staley Okada & Partners
Surrey, British Columbia, Canada

BANKERS

Bank of Montreal
Vancouver, British Columbia, Canada

SUBSIDIARIES

Curator Resources (Barbados) Ltd.
Whitehouse, Barbados

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Telephone: (604) 689-7842
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REGISTERED AND RECORDS OFFICE

Suite 1100 - 888 Dunsmuir Street
Vancouver, British Columbia
Canada V6C 3K4

SOLICITOR

McCullough O'Connor Irwin
Vancouver, British Columbia
Canada

SHARE CAPITAL

Authorized: 150,000,000 common shares
Issued and Outstanding: 98,283,727 shares

REGISTRAR AND TRANSFER AGENT

CIBC Mellon Trust Company
Vancouver, British Columbia
Toronto, Ontario

SHARE LISTING

Toronto Stock Exchange
International Curator Resources Ltd. (IC)