

Management's Report on the Consolidated Financial Statements

The accompanying consolidated financial statements of AXMIN Inc. (formerly Asquith Resources Inc.) have been prepared by and are the responsibility of the Company's management. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and contain estimates based on management's judgement. Management maintains a system of internal controls adequate to provide reasonable assurance that transactions are authorized, assets are safeguarded and records are maintained.

The Audit Committee comprises three directors, none of whom are an officer or employee of the Company. The Audit Committee meets with management and the Company's auditors, Kraft, Berger, Grill, Schwartz, Cohen & March LLP, to review the consolidated financial statements before they are presented to the Board of Directors for approval.

Kraft, Berger, Grill, Schwartz, Cohen & March LLP have examined these consolidated financial statements and their report follows.

"Signed"

Philip Adeane
Chairman of the Board and Director

"Signed"

Craig Banfield
Chief Financial Officer

Auditors' Report

To the Shareholders of AXMIN INC. (formerly Asquith Resources Inc.)

We have audited the balance sheet of AXMIN INC. (formerly Asquith Resources Inc.) as at December 31, 2001 and 2000 and the statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"Signed"

KRAFT, BERGER, GRILL, SCHWARTZ, COHEN & MARCH LLP
Chartered Accountants

Toronto, Ontario
March 13, 2002 (except for Note 10
which is dated May 15, 2002)