

British Columbia Securities Commission  
QUARTERLY REPORT  
FORM 51-901F

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT
<b>NORTHERN HEMISPHERE DEVELOPMENT CORP.</b>	<b>November 30, 2003</b>	<b>January 23, 2003</b>

ISSUER ADDRESS:

**Suite 302, 455 Granville Street**

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO
<b>Vancouver, British Columbia</b>		<b>V6C 1T1</b>	<b>(604) 669-3041</b>	<b>(604) 685-9255</b>

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
<b>Charlie O'Sullivan</b>	<b>Chairman and Director</b>	<b>(604) 685-9255</b>

E-MAIL ADDRESS:

WEB SITE ADDRESS

**N/A**

**N/A**

CERTIFICATE

The three schedules required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Quarterly Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	DATE SIGNED
Signed: "Charlie O'Sullivan"	03/01/23
DIRECTOR'S SIGNATURE	DATE SIGNED
Signed: "Frank Callaghan"	03/01/23

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**NORTHERN HEMISPHERE DEVELOPMENT CORP.**  
**Balance Sheet**  
**(Unaudited - Prepared by Management)**

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**ASSETS**

	November 30, 2003	February 28, 2003
	\$	\$
<b>Current assets</b>		
Cash	104,634	14,319
Marketable securities (Note 3)	122,337	-
Prepaid expenses	9,263	4,263
Accounts receivable	17,855	9,547
	<u>254,089</u>	<u>28,129</u>
<b>Reclamation deposit (Note 4)</b>	5,000	-
<b>Equipment (Note 5)</b>	6,870	-
<b>Investment in and Expenditures on Resource Properties (Note 6)</b>	369,398	479,410
	<u><b>635,357</b></u>	<u><b>507,539</b></u>

**LIABILITIES**

<b>Current liabilities</b>		
Accounts payable and accrued liabilities	35,561	44,388
Related party advances	138,054	97,162
	<u><b>173,615</b></u>	<u><b>141,550</b></u>

**SHAREHOLDERS' EQUITY**

<b>Capital stock (Note 7)</b>	<b>12,132,053</b>	<b>12,122,053</b>
<b>Deficit</b>	<b>(11,670,311)</b>	<b>(11,756,064)</b>
	<u>461,742</u>	<u>365,989</u>
	<u><b>635,357</b></u>	<u><b>507,539</b></u>

On Behalf of the Board

Signed:

“Charlie O’Sullivan”  
\_\_\_\_\_ Director

“Frank Callaghan”  
\_\_\_\_\_ Director

**NORTHERN HEMISPHERE DEVELOPMENT CORP.**  
**Statement of Operations and Deficit**  
**(Unaudited - Prepared by Management)**

	3 Months Ended November 30		9 Months Ended November 30	
	2003	2002	2003	2002
	\$	\$	\$	\$
Revenue:				
Oil and gas revenue, net of costs	(2,584)	4,116	3,231	10,282
Expenses:				
Audit and accounting fees	1,100	1,550	5,634	11,105
Auto expense	1,220	2,921	5,762	3,781
Consulting fees	15,000	15,000	45,000	45,000
Director expense	-	-	-	732
Foreign exchange	747	(42)	747	315
Legal fees	352	16,755	15,344	25,074
Listing and filing fees	2,771	541	5,016	11,688
Management fees	15,000	15,000	45,000	45,000
Office rent	1,160	-	4,586	3,300
Office services and supplies	4,563	5,578	10,135	8,548
Salaries and benefits	13,686	7,123	49,350	12,027
Shareholder communications investor relations	17,267	11,277	38,151	10,599
Transfer agent	3,234	513	4,487	4,329
Travel and accommodation	6,338	1,732	10,075	1,891
Loss before under noted items:	(85,937)	(77,948)	(241,126)	(183,389)
Gain on sale of resource property	9,567	-	240,841	-
Gain on sale of marketable securities	78,621	-	78,621	-
	2,251	(77,948)	82,030	(183,389)
Interest income	59	22	492	31
	2,310	(77,926)	82,522	(183,358)
<b>Gain (Loss) for the period</b>	<b>274</b>	<b>(73,810)</b>	<b>85,753</b>	<b>(173,076)</b>
Deficit, beginning of period	(11,670,585)	(11,589,548)	(11,756,064)	(11,490,282)
<b>Deficit, end of period</b>	<b>(11,670,311)</b>	<b>(11,663,358)</b>	<b>(11,670,311)</b>	<b>(11,663,358)</b>
Loss per share	\$0.00	\$ (0.01)	\$0.00	\$ (0.03)

**NORTHERN HEMISPHERE DEVELOPMENT CORP.**  
**Statement of Cash Flows**  
**(Unaudited - Prepared by Management)**

	3 Months November 30,		9 Months November 30,	
	2003	2002	2003	2002
	\$	\$	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>				
<b>Operating Activities:</b>				
Gain (Loss) for the period	<b>274</b>	(73,810)	<b>85,753</b>	(173,076)
Items not involving cash:				
Gain on sale of Mineral Property	-	-	(234,969)	-
	<b>274</b>	(73,810)	(149,216)	(173,076)
<i>Changes in non-cash working capital</i>				
<i>Items:</i>				
Prepaid expense	(5,000)	-	(5,000)	-
Accounts receivable	249	12,727	(8,308)	(3,492)
Accounts payable and accrued				
Liabilities	(8,108)	36,559	(8,828)	55,462
Related party advances	53,699	(46,872)	40,892	(67)
	<b>(40,566)</b>	<b>(71,369)</b>	<b>(130,459)</b>	<b>(121,173)</b>
<b>Financing activities:</b>				
Issuance of capital stock for cash	-	-	-	100,000
Share subscriptions received	-	86,180	-	86,180
	-	<b>86,180</b>	-	<b>186,180</b>
<b>Investing Activities:</b>				
Sale of marketable securities	170,500	-	170,500	-
Sale of resource properties for cash	(1)	-	342,927	-
Resource property expenditures	(130,008)	(4,623)	(280,782)	(74,555)
Purchase of Reclamation deposit	-	-	(5,000)	-
Purchase of Equipment	(6,870)	-	(6,870)	-
	<b>33,620</b>	<b>(4,623)</b>	<b>(210,774)</b>	<b>(74,555)</b>
Increase (decrease) in cash	74,186	10,161	90,315	452
Cash, beginning of period	30,448	1,510	14,319	11,219
<b>Cash, end of period</b>	<b>104,634</b>	<b>11,671</b>	<b>104,634</b>	<b>11,671</b>
<i>Non-cash financing and investing activities:</i>				
Issuance of shares for mineral property	\$ -	\$ -	\$10,000	\$10,000

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**NORTHERN HEMISPHERE DEVELOPMENT CORP.****Notes to Financial Statements**November 30, 2003

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**1. Basis of Presentation**

These unaudited Financial Statement have been prepared in accordance with the instructions for the preparation of such financial statements contained in the CICA Handbook Section 1751. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such instructions. These unaudited Financial Statements should be read in conjunction with the Audited Financial Statements and Notes thereto for the fiscal year ended February 28, 2003.

**2. Comparative Figures**

Certain of the prior years comparative figures have been reclassified to conform to the Presentation adopted for the current year.

**3. Marketable Securities**

Marketable securities consist of 17,938 common shares of Silver Standard Resources Inc. The securities were acquired as partial consideration for the sale of the Company's interest in the Sunrise Property to Silver Standard Resources Inc. The shares are recorded at the price of \$6.82 per share, being the quoted market value of the security on the Agreement date. The quoted market value of the securities at period-end was \$250,235, or \$13.50 per share.

**4. Reclamation Deposit**

Reclamation deposits are security for future site reclamation on the Company's mineral properties. During the period, the Company hypothecated a term deposit of \$5,000 as security to the Province of British Columbia for future site reclamation on its Northstar-Kaza Property. The term deposit bears interest at a rate of 1.85% per annum.

**5. Equipment**

Equipment consists of a mobile trailer and has been recorded at cost. Amortization is provided on declining balance basis at the rate of 20% per annum.

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**NORTHERN HEMISPHERE DEVELOPMENT CORP.****Notes to Financial Statements**

November 30, 2003

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**6. Investment in and Expenditures on Resource Properties**

a) Resource properties are recorded as follows:

Balance, February 28, 2003		\$479,410
Expenditures during the period		
Northstar-Kaza property:		
Acquisition costs	\$ 25,000	
Administration	3,909	
Assays	22,404	
Camp construction	2,715	
Drafting and reproduction	2,895	
Equipment rental	14,844	
Equipment repairs	14,256	
Fuel	3,239	
Geological consulting	74,242	
Geophysical	93,490	
Meals and accommodation	11,102	
Mobilization and demobilization	12,211	
Office and Maintenance	1,976	
Roads and pads	6,395	
Taxes and assessment	1,125	290,783
Sunrise Property:		
Sale of property		<u>(400,788)</u>
Oil and gas wells		
Sale of property		<u>(7)</u>
		(110,012)
Balance, November 30, 2003		<u><u>\$ 369,398</u></u>

b) Northstar-Kaza Property

Under an Option agreement dated March 13, 2002, the Company has the option to acquire a 100% interest in 33 mineral claims located in the Omineca Mining Division of British Columbia.

Under the terms of the Agreement, the Company can earn a 100% interest by making further cash payments, in installments, of \$60,000; issuing a further 600,000 common shares in installments; and incurring \$500,000 in exploration expenses on the property. During the period, the Company issued 100,000 common shares under this agreement at a deemed value of \$0.10 per share and made cash payment of \$15,000.

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**NORTHERN HEMISPHERE DEVELOPMENT CORP.****Notes to Financial Statements**

November 30, 2003

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**6. Investment in and Expenditures on Resource Properties, continued**

## c) Sunrise Property

By agreement dated November 12, 1997, the Company acquired a 51.73% interest in six claims located approximately 70 miles east-northwest of the City of Yellowknife, Northwest Territories. The claims are subject to a 5% net profits royalty payable to a third party.

By a Purchase Agreement dated June 9, 2003 between the Company and Silver Standard Resources Inc. and Aber Diamond Corporation, the Company sold its interest in the Sunrise Property for US \$252,442 cash and 42,938 common shares in the capital of Silver Standard Resources Inc at a deemed value of \$6.82 per share. (Note 3)

## b) Oil and Gas Interest

During the period the Company sold its minority interest in certain oil and gas producing wells situated in the State of Oklahoma, USA for US \$4,250 cash and US \$2,671 in settlement of outstanding debt.

**7. Share Capital**

a) Authorized 100,000,000 common shares without par value

b) Issued:

	November 30			
	2003		2002	
	Number of shares	Amount	Number of shares	Amount
Balance, beginning of period	8,106,456	\$ 12,122,053	5,884,4560	\$11,868,324
Issued during the period:				
Private Placement	-	-	1,000,000	100,000
Property transaction	100,000	10,000	100,000	10,000
Balance, end of period	8,206,456	\$12,132,053	6,984,456	\$11,978,324

During the period, the Company issued 100,000 common shares at \$0.10 per share in respect to the acquisition of a resource property.

**8. Stock Based Compensation**

In the nine-month period ended November 30, 2003, the Company granted 720,456 fixed share purchase options. The company accounts for its grants under the fair value method. Under the fair value method, options granted to non-employees are charged against income at the time of granting while no compensation expense is recorded for options granted to employees when the exercise price of the Company's employee stock is not less than the fair value of the options at the date of grant.

The fair value of the share purchase options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest of 3.25%, dividend yield of 0%, volatility factor of 7.86% with an expected life of 4 years.

Had compensation cost for the stock based employee compensation been recorded, based upon the fair value of share options, compensation expense for the nine-month period ended November 30, 2003 would have been \$12,968. The pro-forma loss per share, assuming this additional compensation expense, would be as follows:

	November 30, 2003	
	3 months	9 months
Pro-forma (loss) for the period	\$ (13,242)	\$ 72,785
Pro-forma (loss) per share	\$0.00	\$0.00

Pro-forma results may be materially different than actual results realized. The Black Scholes valuation model was developed for use in estimating the fair value of traded options, which are fully transferable and highly traded. In addition, option valuation models require the input of highly subjective assumptions including the expected stock volatility. Because the Company's stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

**9. Related Party Transactions**

Transactions with related parties not disclosed elsewhere in these Financial Statements comprise:

- a) During the period the Company paid, or made provision for the future payment the following amounts:
  - i) \$45,000 (2002 \$45,000) to a private company controlled by the family of a Director for Management fees;
  - ii) \$45,000 (2002 \$Nil) to a Director of the Company for Consulting fees;
  - iii) \$52,159 to a private company controlled by a Director for exploration expenses incurred on behalf of the Company. This includes \$3,962 for

**9. Related Party Transactions, continued**

- iv) exploration administration fees and \$48,197 reimburse exploration expenditures incurred on behalf of the Company;
- v) \$23,235 to a public company having Directors in common for general and administrative expenses incurred on behalf of the Company
- b) Prepaid expenses includes \$5,000 due from a private company controlled by the family of a Director as an advance for management fees.

**10. Due to Related Parties**

Amounts due to related parties are unsecured and non-interest bearing and comprise the following amounts:

- \$ 10,858 due to a private company controlled by a Director;
- \$117,329 due to three Directors of the Company and
- \$ 9,866 due to a public company related by way of common Directors.

**11. Subsequent events**

Subsequent to the period-end the Company announced a private placement offering of up to 5,333,334 units of the Company at a price of \$0.15 per unit. Each unit will consist of one common share and one-half of one non-transferable share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company for a period of two years at the exercise price of \$0.25 per share during the first year and at a price of \$0.30 per share during the second year of the term of the warrant. Certain of these units will be tax-flow-through units.

In respect of 2,000,000 flow-through units, the Company will pay a finder's fee equal to 7.5% of the gross proceeds and will issue finder warrants equal to 15% of the number of units.

Prior to period-end the Company received proceeds of \$188,552 entitling the subscribers to receive 1,257,015 units.

British Columbia Securities Commission  
QUARTERLY REPORT  
FORM 51-901F

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT
<b>NORTHERN HEMISPHERE DEVELOPMENT CORP.</b>	<b>November 30, 2003</b>	<b>January 23, 2003</b>

ISSUER ADDRESS:

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**Suite 302, 455 Granville Street**

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO
<b>Vancouver, British Columbia</b>		<b>V6C 1T1</b>	<b>(604) 669-3041</b>	<b>(604) 685-9255</b>

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
<b>Charlie O'Sullivan</b>	<b>Chairman and Director</b>	<b>(604) 685-9255</b>

E-MAIL ADDRESS:	WEB SITE ADDRESS
<b>N/A</b>	<b>N/A</b>

CERTIFICATE

The three schedules required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Quarterly Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	DATE SIGNED
Signed: "Charlie O'Sullivan"	03/01/23

DIRECTOR'S SIGNATURE	DATE SIGNED
Signed: "Frank Callaghan"	03/01/23

**Northern Hemisphere Development Corp.**  
**Schedule "B"**  
**Supplemental Information**  
**November 30, 2003**

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**SECURITIES ISSUED DURING THE QUARTER ENDED NOVEMBER 30, 2003**

<b>Date YY/MM/DD</b>	<b>Type of Issue</b>	<b>Description</b>	<b>Number of shares Issued</b>	<b>Price per share</b>	<b>Proceeds \$</b>	<b>Type of consideration</b>
Nil						

**OPTIONS GRANTED DURING THE QUARTER ENDED NOVEMBER 30, 2003**

<b>Date of Grant YY/MM/DD</b>	<b>Number</b>	<b>Type</b>	<b>Description/name</b>	<b>Exercise price</b>	<b>Expiry date YY/MM/DD</b>
03/10/10	120,456	Stock Options	J. F. Callaghan	\$0.14	06/10/21
03/10/10	100,000	Stock Options	H. K. Maddison	\$0.14	03/10/10
03/10/10	100,000	Stock Options	A. Crawford	\$0.14	03/10/10
03/10/10	100,000	Stock Options	C. O'Sullivan	\$0.14	03/10/10
03/10/10	50,000	Stock Options	F. Bradley	\$0.14	03/10/10
03/10/10	50,000	Stock Options	A. Dinning	\$0.14	03/10/10
03/10/10	200,000	Stock Options	Others	\$0.14	03/10/10

**OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES OUTSTANDING  
AT NOVEMBER 30, 2003**

<b>Security</b>	<b>Amount</b>	<b>Exercise or convertible price per share</b>	<b>Expiry Date YY/MM/DD</b>
Stock options	100,000	0.14	03/12/19
	720,456	0.14	06/10/21
Warrants	324,000	\$0.30	04/11/01
	97,200	\$0.15	04/11/01
	237,000	\$0.25	03/12/16
		\$0.30	04/12/16
	71,100	\$0.15	04/12/16

**LIST OF DIRECTORS AND OFFICERS AS AT NOVEMBER 30, 2003**

Charlie O'Sullivan,  
Chairman and Director

Allan Crawford,  
Director

Frank Callaghan,  
President and Director

H.K. Maddison,  
Director

J. Frank Bradley,  
Director, CFO and Secretary

**NORTHERN HEMISPHERE DEVELOPMENT CORP.**  
SCHEDULE "C"-MANAGEMENT'S DISCUSSION & ANALYSIS  
For the period ended November 30, 2003

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*The following discussion of the operations, results and financial position of the Company for the period ended November 30, 2003 should be read in conjunction with the November 30, 2003 unaudited Financial Statement and the related Notes.*

**Description of Business**

The Company's principal business activities are the exploration and development of resource properties. The Company is in the process of exploring and developing its properties and has not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties is dependent upon the discovery of economically recoverable reserves in its resource properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims and leases and upon future profitable production or sufficient proceeds from the disposition of its resource properties.

The Company advances its mineral projects to varying degrees by prospecting, mapping, geophysics and drilling. Once a property is determined to have limited exploration potential the property is abandoned or sold. In cases where exploration work on the property reaches a stage where the expense and risk of further exploration and development are too high the Company may seek a third party to earn an interest by furthering the exploration process. Optioning a property to a third party allows the Company to retain an interest in further exploration and development while limiting its obligation to commit large amounts of capital to any one project. The mineral exploration business is high risk and most exploration projects will not become mines.

**Results of Operations**

The Company reports a gain of Cdn \$274 or \$0.00 per share for the three months ended November 30, 2003. There were no write-offs or write-downs during the period. The Company recorded a gain on the sale of the oil and gas interest of \$9,567 and a gain on the sale of marketable securities of \$78,621.

Corporate and administrative expenses decreased by \$36,657 from \$122,594 in the second quarter to \$85,937 in the second quarter. The decline in expenses in the third quarter is a result of the increase in consulting fees, the preparation of the annual report and the attendance of gold shows in the second quarter.

**Current Activities**

The Company sold its small minority interest in oil and gas wells situated in the State of Oklahoma, USA. The interest was held by the Company's U.S. subsidiary, Hemisphere Development Corporation. Although the wells generated approximately \$15,000 in revenues annually over the past few years, this year the company's annual revenue averaged US \$6,500 and operating costs were US\$2,670 as a result of the declining US dollar and the decline in production. The decision by the Board to sell the wells came after consideration was given to the cost of maintaining the US subsidiary, which holds the well interests, the increase in operating costs, the decline in the US dollar, and the current direction the Company has taken by focusing on the Northstar-Kaza property in the Omineca Mining Division of British Columbia.

During the period, the Company incurred \$265,782 on the Northstar-Kaza Properties in rock sampling, magnetometer and Induced Polarization Surveying. The Northstar-Kaza Project

***Current Activities, continued***

consists of two project areas, the Kaza and Northstar, spaced 15 kilometres apart, contained within a single contiguous 2,800-hectare property.

On going rock and soil sampling, magnetometer and Induced Polarization surveying continued to return favourable results. A Gravity Survey is also being conducted across select portions of the project area. The Company plans to conduct a 5,500-foot diamond-drilling program targeting prospective zones within both areas once the current financing is complete.

***Related Party Transactions***

In an effort to reduce overhead and administrative costs, the Company shares offices with other public companies that have Directors in common.

During the quarter, the Company paid or accrued Management fees of \$15,000 to a private company controlled by the family of a director and \$15,000 to a Director for consulting fees.

***Liquidity and Capital Resources***

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. The Company has a working capital of \$80,474 at November 30, 2003. The Company will require further funding to maintain current operations and on-going exploration on the Company's mineral properties.

***Risks***

Mineral exploration and development involve a high degree of risk and few properties are ultimately developed into producing mines. There is no assurance that the Company's future exploration and development activities will result in any discoveries of commercial bodies of ore. Whether an ore body will be commercially viable depends on a number of factors including the particular attributes of the deposit such as size, grade and proximity to infrastructure, as well as mineral prices and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in a mineral deposit being unprofitable.

***Competition***

The mining industry in which the Company is engaged is in general, highly competitive. Competitors include well-capitalized mining companies, independent mining companies and other companies having financial and other resources far greater than those of the Company. The Company competes with other mining companies in connection with the acquisition of mineral properties. In general, properties with a higher grade of recoverable mineral and/or which are more readily minable afford the owners a competitive advantage in that the cost of production of the final mineral product is lower. Thus, a degree of competition exists between those engaged in the mining industry to acquire the most valuable properties. As a result, the Company may eventually be unable to acquire attractive mining properties.

