

Edgar Filing: PRINCETON VENTURES INC - Form 10QSB

PRINCETON VENTURES INC  
Form 10QSB  
February 19, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended December 31, 2002

Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period to

Commission File Number: 000-49698

PRINCETON VENTURES, INC.

(Exact name of small Business Issuer as specified in its charter)

Nevada

98 - 0353007

-----  
(State or other jurisdiction of incorporation or organization)

-----  
(IRS Employer Identification No.)

Suite 304, 595 Howe Street,  
Vancouver, British Columbia, Canada

V6K 3M3

-----  
(Address of principal executive offices) (Zip Code)

Issuer's telephone number, including area code: 604-669-2293

Not Applicable

(Former name, former address and former fiscal year,  
if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days  Yes  No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 6,534,000 Shares of \$.001 par value Common Stock outstanding as of February 18, 2003.

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PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

FINANCIAL STATEMENTS

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

BALANCE SHEET  
(Unaudited)  
(Stated in U.S. Dollars)

|                                    | DECEMBER 31 | JUNE 30   |
|------------------------------------|-------------|-----------|
|                                    | 2002        | 2002      |
| -----                              |             |           |
| ASSETS                             |             |           |
| Current                            |             |           |
| Cash                               | \$ 217      | \$ 297    |
| Mineral Property Interest (Note 3) | -           | -         |
|                                    | \$ 217      | \$ 297    |
| =====                              |             |           |
| LIABILITIES                        |             |           |
| Current                            |             |           |
| Accounts payable                   | \$ 17,684   | \$ 15,572 |
| Loans payable                      | 21,030      | 8,880     |
|                                    | -----       | -----     |

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38,714      24,452  
-----

SHAREHOLDER'S DEFICIENCY

Share Capital

Authorized:

100,000,000 common shares  
with a par value of  
\$0.001 per share  
100,000,000 preferred shares  
with a par value of  
0.001 per share

Issued:

6,534,000 common shares at  
December 31, 2002 and  
June 30, 2002

6,534      6,534

Additional paid-in capital

54,426      54,426

Deficit Accumulated During  
The Exploration Stage

(99,457)      (85,115)

-----  
(38,497)      (24,155)  
-----

\$      217      \$      297  
=====

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

STATEMENT OF OPERATIONS AND DEFICIT  
(Unaudited)  
(Stated in U.S. Dollars)

|                        | THREE MONTHS ENDED |           | SIX MONTHS ENDED |           | PERIOD FROM |
|------------------------|--------------------|-----------|------------------|-----------|-------------|
|                        | DECEMBER 31        |           | DECEMBER 31      |           | INCEPTION   |
|                        | 2002               | 2001      | 2002             | 2001      | MAY 10      |
|                        |                    |           |                  |           | 2001 TO     |
|                        |                    |           |                  |           | DECEMBER 31 |
|                        |                    |           |                  |           | 2002        |
| Expenses               |                    |           |                  |           |             |
| Mineral property       |                    |           |                  |           |             |
| option payments        | \$      -          | \$      - | \$      -        | \$      - | \$ 1,075    |
| Administrative expense | -                  | -         | -                | -         | 7,962       |
| Professional fees      | 3,345              | 7,969     | 5,087            | 21,847    | 44,902      |
| Consulting services    | 4,500              | 4,500     | 9,000            | 17,625    | 35,625      |
| Transfer fees          | 25                 | 1,255     | 25               | 1,255     | 1,280       |
| Office and sundry      | 32                 | 46        | 230              | 1,249     | 2,132       |

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|   |           |           |           |           |          |
|---|-----------|-----------|-----------|-----------|----------|
| Exploration expenses  | -         | -         | -         | -         | 6,481    |
| -----   |           |           |           |           |          |
| Net Loss  |           |           |           |           |          |
| For The Period  | 7,902     | 13,770    | 14,342    | 41,976    | 99,457   |
| Deficit Accumulated During<br>The Exploration Stage,<br>Beginning Of Period | 91,555    | 39,836    | 85,115    | 11,630    | -        |
| -----   |           |           |           |           |          |
| Deficit Accumulated During<br>The Exploration Stage,<br>End Of Period       | \$ 99,457 | \$ 53,606 | \$ 99,457 | \$ 53,606 | \$99,457 |
| =====   |           |           |           |           |          |
| Basic And Diluted<br>Loss Per Share   | \$ 0.01   | \$ 0.01   | \$ 0.01   | \$ 0.01   |          |
| =====   |           |           |           |           |          |
| Weighted Average Number<br>Of Shares Outstanding                            | 6,534,000 | 6,489,163 | 6,534,000 | 6,446,967 |          |
| =====   |           |           |           |           |          |

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

STATEMENT OF CASH FLOWS  
(Unaudited)  
(Stated in U.S. Dollars)

|   | PERIOD FROM<br>INCEPTION<br>MAY 10 |             |                                 |             |                        |
|---|------------------------------------|-------------|---------------------------------|-------------|------------------------|
|   | THREE MONTHS ENDED<br>DECEMBER 31  |             | SIX MONTHS ENDED<br>DECEMBER 31 |             | 2001 TO<br>DECEMBER 31 |
|   | 2002                               | 2001        | 2002                            | 2001        | 2002                   |
| -----   |                                    |             |                                 |             |                        |
| Cash Flows From Operating Activities  |                                    |             |                                 |             |                        |
| Net loss for the period   | \$ (7,902)                         | \$ (13,770) | \$ (14,342)                     | \$ (41,976) | \$ (99,457)            |
| Adjustments To Reconcile<br>Net Loss To Net<br>Cash Used By<br>Operating Activities |                                    |             |                                 |             |                        |
| Stock issued for<br>other than cash   | -                                  | -           | -                               | -           | 75                     |
| Change in prepaid expenses  | -                                  | 2,250       | -                               | 2,050       | -                      |
| Change in accounts payable  | 3,370                              | (3,280)     | 2,112                           | 2,549       | 17,684                 |
| -----   |                                    |             |                                 |             |                        |

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|                            | (4,532) | (14,800) | (12,230) | (37,377) | (81,698) |
|----------------------------|---------|----------|----------|----------|----------|
| -----                      |         |          |          |          |          |
| Cash Flows From            |         |          |          |          |          |
| Financing Activities       |         |          |          |          |          |
| Issue of share capital     | -       | -        | -        | 9,900    | 60,885   |
| Loans payable              | 4,500   | -        | 12,150   | -        | 21,030   |
|                            | 4,500   | -        | 12,150   | 9,900    | 81,915   |
| -----                      |         |          |          |          |          |
| Increase                   |         |          |          |          |          |
| (Decrease) In Cash         | (32)    | (14,800) | (80)     | (27,477) | 217      |
| -----                      |         |          |          |          |          |
| Cash,                      |         |          |          |          |          |
| Beginning Of Period        | 249     | 19,176   | 297      | 31,853   | -        |
| -----                      |         |          |          |          |          |
| Cash,                      |         |          |          |          |          |
| End Of Period              | \$ 217  | \$ 4,376 | \$ 217   | \$ 4,376 | \$ 217   |
| =====                      |         |          |          |          |          |
| Supplemental               |         |          |          |          |          |
| Disclosure Of              |         |          |          |          |          |
| Non-Cash Financing         |         |          |          |          |          |
| And Investing Activities   |         |          |          |          |          |
| Issue of share capital for |         |          |          |          |          |
| mineral property interest  | \$ -    | \$ -     | \$ -     | \$ -     | \$ 75    |
| =====                      |         |          |          |          |          |

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

STATEMENT OF STOCKHOLDERS' EQUITY

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

|  | COMMON STOCK                  |              |                                  | DEFICIT   |          |
|--|-------------------------------|--------------|----------------------------------|---|----------|
|  | NUMBER OF<br>COMMON<br>SHARES | PAR<br>VALUE | ADDITIONAL<br>PAID IN<br>CAPITAL | ACCUMULATED<br>DURING THE<br>EXPLORATION<br>STAGE | TOTAL    |
| Shares issued for<br>cash at \$0.001           | 3,000,000                     | \$3,000      | \$ -                             | \$ -  | \$ 3,000 |
| Shares issued for<br>cash at \$0.015           | 3,199,000                     | 3,199        | 44,786                           | -   | 47,985   |
| Shares issued for<br>mineral property interest | 5,000                         | 5            | 70                               | -   | 75       |

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|                                     |           |         |           |            |            |
|-------------------------------------|-----------|---------|-----------|------------|------------|
| Net loss for<br>the period          | -         | -       | -         | (11,630)   | (11,630)   |
| -----                               |           |         |           |            |            |
| Balance,<br>June 30, 2001           | 6,204,000 | 6,204   | 44,856    | (11,630)   | 39,430     |
| Shares issued for<br>cash at \$0.03 | 330,000   | 330     | 9,570     | -          | 9,900      |
| Net loss for<br>the year            | -         | -       | -         | (73,485)   | (73,485)   |
| -----                               |           |         |           |            |            |
| Balance,<br>June 30, 2002           | 6,534,000 | 6,534   | 54,426    | (85,115)   | (24,155)   |
| Net loss for<br>the period          | -         | -       | -         | (14,342)   | (14,342)   |
| -----                               |           |         |           |            |            |
| Balance,<br>December 31, 2002       | 6,534,000 | \$6,534 | \$ 54,426 | \$(99,457) | \$(38,497) |
| =====                               |           |         |           |            |            |

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

1. OPERATIONS

Organization

The Company was incorporated in the State of Nevada, U.S.A., on May 10, 2001.

Exploration Stage Activities

The Company has been in the exploration stage since its formation and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mining properties. Upon location of a commercial minable reserve, the Company expects to actively prepare the site for its extraction and enter a development stage.

Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern.

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As shown in the accompanying financial statements, the Company has incurred a net loss of \$99,457 for the period from May 16, 2001 (inception) to December 31, 2002, and has no sales. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its mineral properties. Management has plans to seek additional capital through a private placement and public offering of its common stock. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement.

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

#### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

#### a) Mineral Property Option Payments and Exploration Costs

The Company expenses all costs related to the maintenance and exploration of mineral claims in which it has secured exploration rights prior to establishment of proven and probable reserves. To date, the Company has not established the commercial feasibility of its exploration prospects, therefore, all costs are being expensed.

#### b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

#### c) Foreign Currency Translation

The Company's functional currency is the U.S. dollar. Transactions in foreign currency are translated into U.S. dollars as follows:

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- i) monetary items at the rate prevailing at the balance sheet date;
- ii) non-monetary items at the historical exchange rate;
- iii) revenue and expense at the average rate in effect during the applicable accounting period.

### d) Income Taxes

The Company has adopted Statement of Financial Accounting Standards No. 109 - "Accounting for Income taxes" (SFAS 109). This standard requires the use of an asset and liability approach for financial accounting, and reporting on income taxes. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized.

## PRINCETON VENTURES INC. (An Exploration Stage Company)

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### e) Basic and Diluted Loss Per Share

In accordance with SFAS No. 128 - "Earnings Per Share", the basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. At August 31, 2001, the Company has no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

## 3. MINERAL PROPERTY INTEREST

By an agreement, dated November 30, 2001, as amended, the Company acquired an option to earn a 100% interest in a mineral claim located in British Columbia, Canada.

In order to earn its interest, the Company is required to:

- i) pay \$1,000 on execution of the agreement (paid);
- ii) issue a total of 55,000 common shares of the Company, comprising 5,000 upon execution of the agreement (issued), and 50,000 upon completion of the third phase of the exploration program or before November 30, 2003;
- iii) incur an aggregate of \$135,000 on exploration expenditures, comprising \$5,000 by March 31, 2002, \$10,000 on or before June 30, 2003, and \$120,000 on or before November 30, 2003.

## 4. CONTINGENCY

Mineral Property



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The Company's mineral property interest has been acquired pursuant to an option agreement. In order to retain its interest, the Company must satisfy the terms of the option agreement described in Note 3.

PRINCETON VENTURES INC.  
(An Exploration Stage Company)

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002  
(Unaudited)  
(Stated in U.S. Dollars)

#### 5. COMMITMENT

On July 1, 2001, the Company entered into consulting agreements with two directors. The agreements provide for payments of \$750 per month for each director and expire on June 30, 2003. In the case of each director, the fee will increase to \$5,000 per month in the event that they are required to spend 50% or more of their time performing the duties outlined in each agreement.

#### 6. RELATED PARTY TRANSACTIONS

a) During the period ended December 31, 2002, the Company paid \$9,000 (2001 - \$9,000) in consulting fees to two directors pursuant to the agreements referred to Note 5.

b) As at December 31, 2002, loans payable in the amount of \$21,530 (2001 - \$0) were owing to a director.

Item 2. Management's Discussion and Analysis or Plan of Operations

#### FORWARD LOOKING STATEMENTS

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements involve risks and uncertainties, including statements regarding the Company's capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expect", "plan", "Intend", "anticipate", "believe", estimate, "predict", "potential" or "continue", the negative of such terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various risk factors, as set forth below, and, from time to time, in other reports the Company files with the SEC. These factors may cause the Company's actual results to differ materially from any forward-looking statement. The Company disclaims any obligation to publicly update these statements, or disclose any difference between its actual results

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and those reflected in these statements. The information constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

### OVERVIEW

We are in the business of mineral exploration; although, to date, we have only recently commenced our exploration activities. We have obtained an option to acquire a 100% interest in certain mineral claims located in the Lillooet Mining Division of the Province of British Columbia, Canada. We refer to these mineral claims as the Merry mineral claims.

Our objective is to conduct mineral exploration activities on the Merry mineral claims in order to assess whether the Merry mineral claims possesses commercially exploitable reserves of molybdenum or gold. We have not, as yet, identified any commercially exploitable reserves. Our proposed exploration program is designed to search for commercially exploitable deposits. We are an exploration stage company and there is no assurance that a commercially viable mineral deposit exists on our mineral claim.

### Merry Mineral Claims Option Agreement

We purchased the option to acquire a 100% interest in the Merry mineral claims pursuant to an agreement dated May 18, 2001 between Mr. Alan Brent Hemingway and us. Mr. Hemingway is the owner of the Merry mineral claims. This option agreement was amended on November 30, 2001 in order to give us additional time in which to complete the exploration expenditures on the Merry mineral claims. This option agreement was further amended on December 20, 2002 in order to give us additional time to complete the second and third phases of the recommended exploration program.

We are entitled to exercise the option to acquire the 100% interest in the Merry mineral claims by:

- (A) incurring an aggregate of \$135,000 of property exploration expenditures on the Merry mineral claims within the following periods:
  - (1) \$5,000 on or before March 31, 2002;
  - (2) a further \$10,000.00 on or before June 30, 2003;
  - (3) a further \$120,000.00 on or before November 30, 2003;
- (B) issuing to Mr. Hemingway 50,000 shares of our common stock upon the completion of the third phase of the exploration program on the Merry mineral claims on or before November 30, 2003.

We have satisfied the initial \$5,000 exploration expenditure requirement due by February 28, 2002 by completing the initial phase of the recommended work program on the Merry mineral claims. We have not to date satisfied the \$10,000 exploration expenditure requirement to be completed by June 30, 2003.

### Plan of Operations

Our business plan is to proceed with the exploration of the Merry Mineral Claims to determine whether these mineral claims possess commercially exploitable reserves of molybdenum and gold. We have proceeded with the first phase of the exploration program recommended by the geological report at a cost of \$5,000. Completion of phase one satisfied the exploration expenditures required to be

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completed by February 28, 2002 under our option agreement for the Merry mineral claims, as amended.

We have received a geological report summarizing the conclusions and recommendations of the first phase of our exploration program from Mr. Ostler, our consulting geologist. We have reviewed the conclusions and recommendations of Mr. Ostler based on his geological review of the results of the first phase. We have determined that the results of the first phase of exploration are sufficiently positive to warrant proceeding with the second phase of exploration. The budgeted cost of this second phase is \$10,000 which is in excess of our current cash and working capital. We will attempt to raise the funds to complete this second phase through a private placement financing of our common stock. If we are unable to complete a private placement financing, of which there is no assurance, Mr. William Robertson, our chief financial officer and a principal shareholder, has indicated he may advance sufficient funds to enable us to complete the work program as a shareholders loan. If we are able to raise the additional financing, this phase will not commence until Spring 2003 due to the presence of snow coverage on the property. We anticipate that we would engage Mr. Ostler to complete this second phase of exploration. The central part of the Merry Mineral Claims is accessible during the snow free months of the year from May until November, with variations from year to year.

If we are able to complete the second phase of our exploration program, we will assess whether to proceed to the third phase of the recommended geological exploration program upon completion of an assessment of the results of phase two of the geological exploration program. In completing this determination, we will make an assessment as to whether the results of phase two are sufficiently positive to enable us to achieve the financing necessary for use to proceed with phase two of the exploration program. This assessment will include an assessment of our cash reserves after the completion of phase two and the market for financing of mineral exploration projects at the time of our assessment.

We had cash in the amount of \$217 as of December 31, 2002 and a working capital deficit of \$38,497 as of December 31, 2002. The anticipated cost of the second phase of the exploration program is \$10,000. The anticipated cost of the third phase of the exploration program is \$120,000. As these anticipated costs are in excess of our current cash reserves and we have a working capital deficit, we will require additional financing in order to proceed with each of phase two and phase three of our exploration program. We anticipate that additional funding will be in the form of equity financing from the sale of our common stock or a loan from one of our directors, of which there is no assurance. In addition, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock to fund phase three of the exploration program. We believe that debt financing will not be an alternative for funding additional phases of the exploration program. We do not have any arrangements in place for any future equity financing.

We anticipate that we will incur the following expenses over the next twelve months:

1. \$10,000 in connection with the completion of the second phase of our recommended geological work program, if we are able to raise the financing required to proceed with this phase;
2. \$18,000 for payments to Mr. Locke Goldsmith and Mr. William Robertson under their consulting agreements;
3. \$15,000 for operating expenses, including professional legal and accounting expenses associated with our becoming a reporting issuer under the Securities Exchange Act of 1934;

We had cash in the amount of \$217 as of December 31, 2002 and a working capital

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deficit of \$38,497 as of December 31, 2002. Our total expenditures over the next twelve months are anticipated to be \$43,000. Accordingly, we will require additional financing in the minimum amount of approximately \$82,000 to fund our operations for the next twelve months and to pay our working capital deficit.

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If we do not complete the exploration expenditures required under the option agreement for the Merry mineral claims, including the completion of exploration expenditures in the amount of \$10,000 by June 30, 2003, our option will terminate and we will lose all our rights and interest in the Merry mineral claims. If we do not secure additional financing to incur the required exploration expenditures, we may consider bringing in a joint venture partner to provide the required funding. We have not undertaken any efforts to locate a joint venture partner. In addition, we cannot provide investors with any assurance that we will be able to locate a joint venture partner who will assist us in funding the exploration of the Merry mineral claims. If our option lapses, we plan to pursue the acquisition of an interest in other mineral claims. We anticipate that any future acquisition would involve the acquisition of an option to earn an interest in a mineral claim as we anticipate that we would not have sufficient cash to purchase a mineral claim of sufficient merit to warrant exploration.

### Results Of Operations for the Six months ended December 31, 2002

We did not earn any revenues during the six months ended December 31, 2002. We do not anticipate earning revenues until such time as we have entered into commercial production of our mineral properties. We are presently in the exploration stage and we can provide no assurance that we will discover commercially exploitable levels of mineral resources on our properties, or if such resources are discovered, that we will enter into commercial production of our mineral properties.

We incurred operating expenses in the amount of \$14,342 for the six months ended December 31, 2002, compared to \$44,976 for the six months ended December 31, 2001. The largest component of our operating expenses were consulting fees in the amount of \$9,000. These consulting fees included consulting fees in the amount of \$4,500 each paid to our two executive officers, Mr. Locke Goldsmith, our chief executive officer, and Mr. William Robertson, our chief financial officer. We paid professional fees in the amount of \$5,087 during the six months ended December 31, 2002, compared to \$21,847 for the six months ended December 31, 2001. These professional fees were incurred in connection with our ongoing reporting requirements as a reporting company under the Securities Exchange Act of 1934. We did not incur any exploration expenditures for the six months ended December 31, 2002 due to our lack of financing.

We anticipate that we will not incur increased operating expenses until such time as we achieve the financing required to enable us to pursue further exploration of our optioned mineral property. Our operating expenses will increase if we are able to achieve the required financing and determine to proceed with further exploration.

We incurred a loss of \$14,342 for the six months ended December 31, 2002, compared to \$41,976 for the six months ended December 31, 2001. Our losses are entirely attributable to our operating expenses.

### Liquidity and Capital Resources

We had cash of \$217 as of December 31, 2002 compared to cash of \$297 as of June

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30, 2002. We had a working capital deficit of \$38,497 as of December 31, 2002 compared to working capital deficit of \$24,115 as of June 30, 2002. We obtained a loan in the amount of \$12,150 during the six months ended December 31, 2002 from Mr. William Robertson, a director and our chief financial officer, to fund our operating expenses. As of December 31, 2002, loans from Mr. Robertson were outstanding in the amount of \$21,530.

We have not attained profitable operations and are dependent upon obtaining financing to pursue exploration activities. For these reasons our auditors stated in their report that they have substantial doubt we will be able to continue as a going concern.

We will require additional financing in order to enable us to proceed with any further exploration of our mineral claims, as discussed above under Plan of Operations, and to complete the required payments and exploration expenditures to maintain our option. In addition, we anticipate that we will require approximately \$82,000 over the next twelve months to pay for our expenses in pursuing our plan of operations, as outlined above, and to fund our working capital deficit. These cash requirements are in excess of our current cash resources. Accordingly, we will require additional financing in order to continue operations. We have no arrangements in place for any additional financing and there is no assurance that we will achieve the required additional funding. We have not purchased or sold any plant or significant equipment and do not expect to do so in the foreseeable future.

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### ITEM 3. CONTROLS AND PROCEDURES.

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"), we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures within the 90 days prior to the filing date of this report. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer, Mr. Locke Goldsmith and our Chief Financial Officer, Mr. William Robertson. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting management to material information relating to us required to be included in our periodic SEC filings. There have been no significant changes in our internal controls or in other factors that could significantly affect internal controls subsequent to the date we carried out our evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosure.

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Item 1. Legal Proceedings

We are not a party to any material legal proceedings and to our knowledge, no such proceedings are threatened or contemplated.

Item 2. Changes in Securities

We did not complete any sales of our common stock during our fiscal quarter ended December 31, 2002.

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to our security holders for a vote during the fiscal quarter ending December 31, 2002.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K.

EXHIBITS REQUIRED BY ITEM 601 OF FORM 8-K

Exhibit

Number Description of Exhibit

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10.1 Option Amendment Agreement between the Company and Mr. Alan Brent Hemingway dated December 20, 2002(1)

99.1 Certification of Chief Executive Officer pursuant to pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (1) 99.2 Certification of Chief Financial Officer pursuant to pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (1)

(1) Filed as an Exhibit to this Quarterly Report on Form 10-QSB

REPORTS ON FORM 8-K

We did not file any Current Reports on Form 8-K during the fiscal quarter ended December 31, 2002 and we have not filed any Current Reports on Form 8-K since December 31, 2002.

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In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 18, 2003

PRINCETON VENTURES, INC.

By: /s/ Locke Goldsmith

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Locke Goldsmith, President and  
Chief Executive Officer  
(Principal Executive Officer)  
Date: February 18, 2003

By: /s/ William Robertson

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William Robertson, Secretary and  
Chief Financial Officer  
(Principal Financial Officer and  
Principal Accounting Officer)  
Date: February 18, 2003

### CERTIFICATIONS

I, LOCKE GOLDSMITH, Chief Executive Officer of Princeton Ventures, Inc. (the "Registrant"), certify that;

1. I have reviewed this quarterly report on Form 10-QSB of Princeton Ventures, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
  - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly

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report is being prepared;

- b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
- c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other facts that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: February 18, 2003 /s/ LOCKE GOLDSMITH

\_\_\_\_\_  
(Signature)

President and Chief Executive Officer

\_\_\_\_\_  
(Title)

CERTIFICATIONS

I, WILLIAM ROBERTSON, Chief Financial Officer of Princeton Ventures, Inc. (the "Registrant"), certify that;

- 1. I have reviewed this quarterly report on Form10-QSB of Princeton Ventures, Inc.;
- 2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
- 3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash



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flows of the registrant as of, and for, the periods presented in this quarterly report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
  - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
  - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other facts that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: February 18, 2003 /s/ William Robertson

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(Signature)

Chief Financial Officer

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(Title)