



British Columbia  
Securities Commission

QUARTERLY AND YEAR END REPORT  
BC FORM 51-901F (formerly FORM 61)

**Freedom of Information and Protection of Privacy Act:** The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6731), PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393

INCORPORATED AS PART OF:

\_\_\_\_\_ Schedule A

\_\_\_X\_\_\_ Schedule B & C

NAME OF ISSUER	Fortuna Ventures Inc.
ISSUER'S ADDRESS	24549 - 53rd Avenue Langley, BC V2Z 1H6
ISSUER TELEPHONE NUMBER	604-856-9887
ISSUER FACSIMILE NUMBER	604-856-9479
ISSUER WEB SITE ADDRESS	n/a
CONTACT PERSON	Michael A. Iverson
CONTACT'S POSITION	Chairman
CONTACT TELEPHONE NUMBER	604-856-9887
CONTACT E-MAIL ADDRESS	n/a
FOR QUARTER ENDED	March 31, 2004
DATE OF REPORT	May 27, 2004

CERTIFICATE

The Schedule(s) 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. Please note this form is incorporated as part of both the required filing of Schedule A and Schedules B & C.

Michael A. Iverson	<i>"Michael A. Iverson"</i>	04 / 05 / 27
Name of Director	Signed <i>"Typed"</i>	Date signed (yy/mm/dd)
Nathanael G. Lineham	<i>"Nathanael G. Lineham"</i>	04 / 05 / 27
Name of Director	Signed <i>"Typed"</i>	Date signed (yy/mm/dd)

**A. SECURITIES ISSUED DURING THE QUARTER ENDED MARCH 31, 2004**

---

Date of issue	---
Type of security	---
Type of issue	---
Number	(none issued)
Price	\$ Nil
Proceeds	\$ Nil
Type of consideration	---
Commission paid	\$ Nil

**B. OPTIONS GRANTED DURING THE QUARTER ENDED MARCH 31, 2004**

---

Date of issue	---
Name and number	--- (none granted)
Exercise price	\$ ---
Expiry date	---

**C. DIRECTORS AND OFFICERS OF THE COMPANY AS AT THE DATE OF THIS REPORT**

---

Michael A. Iverson, Director, Chairman, CEO and Secretary  
Robert W. Rosner, Director and President  
Nathanael G. Lineham, Director

**FORTUNA VENTURES INC.**

Management Discussion

May 27, 2004

**SCHEDULE "C"**

To the Shareholders of Fortuna Ventures Inc.

During the quarter ended March 31, 2004, the Company incurred a loss of \$54,850 or \$0.030 per share. This figure compares to a loss of \$22,475 or \$0.012 per share for the corresponding quarter of the previous year. Expenses for the quarter consisted primarily of legal and audit, and transfer agent and filing fees incurred in connection with the Company's maintenance as a public company. There were no extraordinary items charged to income.

As at March 31, 2004, the Company had \$24,457 in current assets and \$703,129 of current liabilities, resulting in a working capital deficiency of \$678,672. This compares to a working capital deficiency of \$622,548 as at September 30, 2003, and \$542,552 as at March 31, 2003.

There were no mineral property expenditures during the period or during the corresponding quarter of the previous year.

On April 7, 2004, the Company announced that it has agreed to settle outstanding debt totalling approximately \$687,709 by way of issuance to the creditors of approximately 2,750,835 common shares at a deemed price of \$0.25 per share. The transaction is subject to shareholder and regulatory approval.

On May 11, 2004, the amount of debt to be settled was reduced to \$655,302 and the number of shares to be issued was reduced to 2,621,206.

On May 11, 2004, the Company announced that it has agreed to sell 2,000,000 units at a price of \$0.25 per unit for gross proceeds of \$500,000. Each unit will be comprised of one common share and one share purchase warrant. Each warrant will entitle the holder to purchase a further common share at a price of \$0.30 per share for a period of one year.

The proceeds of the private placement will be used in part to fund a program of surface exploration on the Company's Dunlop Bay property located in Isle-Dieu Township, Quebec.

The Company currently has no investor relations agreements outstanding.

On behalf of the Board

"Michael A. Iverson"