



British Columbia
Securities Commission

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

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INCORPORATED AS PART OF:

 X Schedule A

 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	June 30, 2004
DATE OF REPORT	July 22, 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 / 07 / 23
Name of Director	Signed <i>"Typed"</i>	Date signed (yy/mm/dd)
Nathanael G. Lineham	<i>"Nathanael G. Lineham"</i>	04 / 07 / 23
Name of Director	Signed <i>"Typed"</i>	Date signed (yy/mm/dd)

FORTUNA VENTURES INC.

INTERIM FINANCIAL STATEMENTS

JUNE 30, 2004

(Unaudited)

Notice to Reader

Balance Sheets

Statements of Operations and Deficit

Statements of Cash Flow

Notes to the Financial Statements

ROBERT W. R. BISHOP
Chartered Accountant

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NOTICE TO READER

I have compiled the balance sheet of Fortuna Ventures Inc. as at June 30, 2004 and the statements of operations and deficit and cash flow for the three-month and nine-month periods then ended from information provided by management. I have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these financial statements may not be appropriate for their purposes.

"Robert W.R. Bishop"

July 22, 2004

CHARTERED ACCOUNTANT

FORTUNA VENTURES INC.Statements of Operations and Deficit
(Unaudited – See Notice to Reader)

	Three months Ended June 30, 2004	Nine Months Ended June 30, 2004	Three months Ended June 30, 2003	Nine Months Ended June 30, 2003
EXPENSES				
Bank charges and interest	\$ 11	\$ 174	\$ 6	\$ 96
Consulting (Note 5)	-	2,000	1,000	9,519
Interest on loans payable	-	2,299	2,215	6,364
Legal and audit	32,058	84,692	11,709	20,538
Management fees (Note 5)	-	-	7,500	22,500
Office and miscellaneous (Note 5)	-	707	300	900
Shareholder information	2,851	3,877	-	-
Transfer agent and filing fees	1,147	11,592	560	4,973
LOSS	36,067	105,341	23,290	64,890
DEFICIT, OPENING	3,212,722	3,143,448	3,081,275	3,039,675
DEFICIT, CLOSING	\$ 3,248,789	\$ 3,248,789	\$ 3,104,565	\$ 3,104,565
LOSS PER SHARE – basic and diluted	\$ 0.020	\$ 0.058	\$ 0.013	\$ 0.035

FORTUNA VENTURES INC.

Statements of Cash Flow

(Unaudited – See Notice to Reader)

	Three months Ended June 30, 2004	Nine Months Ended June 30, 2004	Three months Ended June 30, 2003	Nine Months Ended June 30, 2003
CASH PROVIDED BY (USED FOR)				
OPERATIONS				
Loss	\$ (36,067)	\$ (105,341)	\$ (23,290)	\$ (64,890)
Changes in non-cash working capital:				
GST receivable	(5,376)	1,197	(1,454)	(4,776)
Accounts payable and accrued liabilities	38,031	118,613	19,927	53,901
	(3,412)	14,469	(4,817)	(15,765)
FINANCING				
Share subscriptions	60,000	60,000	-	-
Demand loan proceeds	-	-	-	20,000
	60,000	60,000	-	20,000
INVESTING				
Mineral property exploration	(61,537)	(61,537)	-	(3,457)
	(61,537)	(61,537)	-	(3,457)
CHANGE IN CASH	(4,949)	12,932	(4,817)	778
CASH, OPENING	19,259	1,378	6,405	810
CASH, CLOSING	\$ 14,310	\$ 14,310	\$ 1,588	\$ 1,588
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest paid	\$ 11	\$ 2,473	\$ 2,221	\$ 6,460

FORTUNA VENTURES INC.

Notes to the Financial Statements
(Unaudited – See Notice to Reader)
June 30, 2004

1. BASIS OF PRESENTATION

These consolidated interim financial statements follow the same accounting policies and methods of computation as those used in the Company's most recent annual financial statements. These statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, and as such, do not contain all of the information and footnote disclosures required for annual audited financial statements. Accordingly, these unaudited interim financial statements should be read in conjunction with the Company's September 30, 2003 audited financial statements and notes thereto.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern. As at the period end the Company had a significant working capital deficiency and no source of revenue. The Company's future is dependent upon its ability to raise new capital and secure a viable project.

3. MINERAL PROPERTIES

Dunlop Bay Property, Isle-Dieu Township, Quebec

The Company owns a 100% interest in 15 mineral claims located in Isle-Dieu Township, Quebec, known as the Dunlop Bay property. The claims were acquired by staking on March 5, 2003.

Deferred mineral property costs are as follows:

	Nine Months Ended June 30, 2004	Year Ended September 30, 2003
Isle-Dieu Township, Quebec		
Acquisition Costs, Opening	\$ 3,457	\$ -
Staking	-	3,457
Acquisition Costs, Closing	3,457	3,457
Exploration Costs, Opening	4,673	-
Assays	4,099	-
Geological reports	5,401	4,673
Mapping and geological consulting	28,995	-
Stripping and sampling	23,042	-
Exploration Costs, Closing	66,210	4,673
	\$ 69,667	\$ 8,130

FORTUNA VENTURES INC.

Notes to the Financial Statements
(Unaudited – See Notice to Reader)
June 30, 2004

4. SHARE CAPITAL

Authorized

100,000,000 common shares, without par value

Issued and Fully Paid

	2004		2003	
	Shares	Dollars	Shares	Dollars
Balance, September 30	1,831,487	\$ 2,542,180	1,831,487	\$ 2,542,180
No change during the period	-	-	-	-
Balance, June 30	1,831,487	\$ 2,542,180	1,831,487	\$ 2,542,180

Private Placement at \$0.25

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 private placement is subject to shareholder and regulatory approval.

As at June 30, 2004, the Company had received \$60,000 in private placement subscriptions.

Proposed Debt Settlement

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.

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.

The transaction is subject to shareholder and regulatory approval (see Note 6).

Escrow Shares

Included in issued share capital are 87,467 shares held in escrow. The transfer of these shares within escrow and their release from escrow are subject to the consent of regulatory authorities.

Share Purchase Warrants

As at June 30, 2004, there were no share purchase warrants outstanding.

FORTUNA VENTURES INC.

Notes to the Financial Statements
(Unaudited – See Notice to Reader)
June 30, 2004

4. SHARE CAPITAL, continued

Director and Employee Options

As at June 30, 2004, there were no director and employee options outstanding.

5. RELATED PARTY TRANSACTIONS	2004	2003
Transactions During the Period		
Consulting fees paid or payable to a director of the Company	\$ -	\$ 7,009
Management fees paid or payable to a company controlled by a director and officer of the Company	\$ -	\$ 22,500
Office rent paid or payable to a company controlled by a director of the Company	\$ -	\$ 4,500
Balances at End of Period		
Amount included in accounts payable owed to a company controlled by a director and officer of the Company, without interest or specified terms of repayment	\$ 28,478	

6. SUBSEQUENT EVENTS

Director and Shareholder Approval

On July 14, 2004, the Company received director and shareholder approval for the debt settlement described in Note 4.