



British Columbia
Securities Commission

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

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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	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)

A. SECURITIES ISSUED DURING THE QUARTER ENDED JUNE 30, 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 JUNE 30, 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

July 22, 2004

SCHEDULE "C"

To the Shareholders of Fortuna Ventures Inc.

During the quarter ended June 30, 2004, the Company incurred a loss of \$36,067 or \$0.020 per share. This figure compares to a loss of \$23,290 or \$0.013 per share for the corresponding quarter of the previous year. Expenses for the quarter consisted primarily of legal and audit and other expenses incurred in connection with the Company's maintenance as a public company. There were no extraordinary items charged to income.

As at June 30, 2004, the Company had \$24,885 in current assets and \$741,161 of current liabilities, resulting in a working capital deficiency of \$716,276. This compares to a working capital deficiency of \$609,398 as at September 30, 2003, and \$565,842 as at June 30, 2003.

During the quarter ended June 30, 2004, the Company spent \$61,537 on a work programme on its Dunlop Bay property. The programme consisted of geological mapping and prospecting of the general area, surface stripping and trenching of the known mineralized zones, detailed surface mapping and channel sampling of the veins and extending the known mineralization. There were no mineral property expenditures 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.

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

The Company currently has no investor relations agreements outstanding.

On behalf of the Board

"Michael A. Iverson"