QUARTERLY REPORT	BC FORM 51-901F	Schedules A, B & C

ISSUER DETAILS

For Quarter Ended:	June 30, 2004
Date of Report:	November 16, 2004
Name of Issuer:	Pacific Imperial Mines Inc.
Issuer's Address:	1605 – 750 West Pender Street Vancouver, BC V6C 2T8
Issuer Fax Number:	(604) 688-9336
Issuer Telephone Number:	(604) 688-9368
Contact Person:	H. Leo King
Contact Position:	Director
Contact Telephone Number:	(604) 688-9336
E-mail	N/A
Web-site	N/A

CERTIFICATE

The schedule(s) required to complete this Quarterly Report is/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 Name:	Geir Liland	Date signed:	November 16, 2004
Director's Name:	Leo King	Date signed:	November 16, 2004

PACIFIC IMPERIAL MINES INC.

Financial Statements

June 30, 2004 and 2003

Index

ELLIS FOSTER

CHARTERED ACCOUNTANTS

1650 West 1st Avenue
Vancouver, B.C., Canada V6J 1G1
Telephone: (604) 734-1112 Facsimile: (604) 714-5916
E-Mail: generaldelivery@ellisfoster.com
Website: www.ellisfoster.com

AUDITORS' REPORT

To the Shareholders of

PACIFIC IMPERIAL MINES INC.

We have audited the balance sheets of **Pacific Imperial Mines Inc.** ("the Company") as at June 30, 2004 and 2003 and the statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2004 and 2003 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by the Company Act of the Province of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the previous year.

Vancouver, Canada
October 27, 2004

Ellis Foster
Chartered Accountants

PACIFIC IMPERIAL MINES INC.

Balance Sheet
June 30, 2004 and 2003

		2004		2003
ASSETS				
Current				
Cash	$	48,910	$	56,290
Receivable and advances		38,521		-
Total current assets		87,431		56,290
Equipment, net of accumulated amortization of $781 (2003 - $575)		1,132		105
Total Assets	$	88,563	$	56,395
LIABILITIES				
Current				
Bank loan (Note 4)	$	90,000	$	-
Accounts payable and accrued liabilities		90,266		18,580
Shareholder's loan and advances (Note5)		3,750		107,800
Total current liabilities		184,016		126,380
SHARE CAPITAL AND DEFICIT				
Share capital		1,424,175		1,196,175
Retained earnings (Deficit)		(1,519,628)		(1,266,160)
Total shareholders' deficiency		(95,453)		(69,985)
Total liabilities and shareholders' deficiency		88,563	$	56,395

APPROVED BY THE DIRECTORS:

"Leo King"
Director

"Geir Liland"
Director

ELLIS FOSTER

PACIFIC IMPERIAL MINES INC.

Statement of Operations and Deficit
Year Ended June 30, 2004 and 2003

	2004	2003
Administrative expenses		
Accounting and audit	$ 29,655	$ 4,060
Amortization	206	26
Consulting	30,000	-
Interest expenses	4,380	6,232
Legal	120,514	3,099
Listing and filing fees	19,003	3,942
Management fees	30,500	24,000
Office and miscellaneous	3,167	1,665
Shareholder communication	336	-
Transfer agent fees	5,434	2,603
Travel and promotion	22,106	485
Foreign exchange loss (gain)	(11,660)	(8,025)
Interest income	(173)	(437)
Loss for the year	(253,468)	(37,650)
Deficit, beginning of year	(1,266,160)	(1,228,510)
Deficit, end of year	$ (1,519,628)	$ (1,266,160)
Loss per share	$ -0.047	$ -0.010
Weighted average of common shares outstanding	-	-
- basic and diluted	5,358,509	4,046,728

PACIFIC IMPERIAL MINES INC.

Statement of Cash Flows
Years Ended June 30, 2004 and 2003

	2004	2003
Cash flows from (used in) operating activities		
Loss for the year	$ (253,468)	$ (37,650)
Adjustments for:		
Amortization	206	26
foreign exchange (loss)	(11,430)	(13,496)
	(264,692)	(51,120)
Changes in non-cash working capital		
Decrease in accounts receivable	(38,521)	3,020
Increase (decrease) in accounts payable and accrued liabilities	71,686	4,043
	(231,527)	(44,057)
Cash flows from (used in) financing activities		
Bank loan	90,000	-
Loan and advances from (repayment to) shareholders	(92,620)	-
Shares issued for cash	228,000	-
	225,380	-
Cash flows from (used in) investing activities		
Purchase of capital assets	(1,233)	-
Net increase (decrease) in cash	(7,380)	(44,057)
Cash, beginning of year	56,290	100,347
Cash, end of year	$ 48,910	$ 56,290

1. Continuance of Operations

These financial statements have been prepared on a going-concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the financial statements.

The Company's continuing operations, as intended, are dependent upon its ability to obtain further equity financing and identify, evaluate and negotiate an acquisition of, participation in or an investment of an interest in properties, assets and businesses. Such an acquisition will be subject to shareholder and regulatory approval. (also see Note 10)

2. Change in Accounting Policy

Effective July 1, 2003, the Company adopted, the recommendation of CICA Handbook on *Stock-Based Compensation and Other Stock-Based Payments.* The Handbook establishes new standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. The Handbook sets out a fair value based method of accounting that is required for all stock based transactions. Under the new standards, direct awards of stock granted to employees are recorded at fair value on the date of grant and the associated expense is amortized over the vesting period.

The Handbook provides alternative methods of transition for the adoption of the fair value method and as permitted, the Company has elected the prospective application and the fair value based method of accounting for all types of award granted on and after July 1, 2003.

The Company did not grant stock options in 2004 and 2003.

The change of accounting policy has no cumulative effect on the prior year financial statements.

3. Significant Accounting Policies

(a) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

(b) Cash Equivalents

Cash equivalents usually consist of highly liquid investments which are readily convertible into cash with maturity of three months or less when purchased. As at June 30, 2004 and 2003, the Company did not have any cash equivalents.

(c) Equipment

The equipment are recorded at cost and are amortized on the declining balance basis at the following rates per annum:

Computer equipment – 30%

Furniture and fixtures – 20%

(d) Long-lived Assets Impairment

Long-lived assets of the Company are reviewed when changes in circumstances suggest their carrying value has become impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows to result from the use of the asset and its eventual disposition. If impairment is deemed to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis.

(e) Foreign Currency Transactions

The functional currency of the Company's operations is Canadian dollars. Transactions in foreign currencies are translated into the currency of measurement at the exchange rate in effect on the transaction date. Monetary items expressed in foreign currencies are translated into the currency of measurement at the exchange rate in effect at the balance sheet date. The resulting exchange gains and losses are recognized in the income statement.

3. **Significant Accounting Policies** (continued)

(f) Earnings (Loss) Per Share

Basic earnings (loss) per share is computed using the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. The treasury stock method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at their prevailing market rate. Diluted earnings (loss) per share is equal to the basic earnings (loss) per share for the years ended June 30, 2004 and 2003 as there is no potential dilutive securities.

(g) Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, measured using substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

4. **Bank Loan**

The bank loan of $90,000 was bearing interest at prime plus 0.75% per annum and was payable in September 2004. Subsequent to the fiscal year end, this bank loan was repaid.

5. **Shareholder's Loan and Advances**

During the fiscal year 2004, the Company settled a shareholder's loan of US$80,000 (Cdn$107,800), including accrued interest at 5% per annum (Cdn$15,126) with Cdn$110,000. This repayment represents full settlement of the loan principal and accrued interest and as such, the Company has no further obligations with respect to this loan. As a result of settling a loan in foreign currency with its functional currency, the Company recognized a gain on foreign exchange of $11,430 on the statement of operations.

As at June 30, 2004, the shareholder's loan and advances are unsecured and non-interest bearing and due on demand.

6. Share Capital

(a) Authorized: 25,000,000 common shares with no par value.

(b) Issued:

	Shares	Amount
Balance, June 30, 2002	4,346,728	$1,196,175
Escrow shares expired and cancelled	(300,000)	-
Balance, June 30, 2003	4,046,728	1,196,175
Issued pursuant to a private placement	3,800,000	228,000
Balance, June 30, 2004	7,846,728	$1,424,175

(c) There were no stock purchase options or warrants outstanding as at June 30, 2004 (see Note 10).

7. Income Taxes

(a) A reconciliation of the statutory tax rate to the effective rate for the Company is as follows:

	2004	2003
Statutory income tax rate	(37%)	(38%)
Tax losses not benefited	37%	38%
Effective tax rate	-	-

(b) As of June 30, 2004, the Company has non-capital losses of approximately $587,000 and cumulative Canadian exploration and development expenses of approximately $185,000 carry forward for income tax purposes. These non-capital losses expire commencing 2005 through 2012 if not utilized. The cumulative exploration and development expenses can be carried forward indefinitely.

Future income tax benefits which may arise as a result of these losses have not been recognized in these financial statements as their realization is uncertain.

8. Related Party Transactions

In fiscal year 2004, the Company paid $30,500 (2003 - $24,000) in management fees to directors of the Company

Other related party transactions have been disclosed elsewhere in these financial statements.

9. Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

It is not practical to determine the fair value of the due from a shareholder with sufficient reliability due to the nature of the financial instruments, the absence of secondary markets and the significant cost of obtaining outside appraisals.

The carrying value of cash, receivable and advances, bank loan, accounts payable and accrued liabilities approximates the fair value because of the short-term nature of those instruments.

The Company is not subject to significant interest and credit risks arising from these financial instruments.

10. Subsequent Events

(a) On September 20, 2004, the Company announced it had completed the acquisition of 100% of the issued and outstanding shares of GoldChina Holdings Group Limited ("GoldChina"), a British Virgin Island company. In consideration of the acquisition, a total of 15,700,000 shares were issued to the former shareholders of GoldChina. These shares are subject to escrow which will be released over a three year period.

GoldChina through its wholly-owned subsidiary, holds the exploration rights to explore two exploration properties, known as Tangshang and Salachong properties, located in Yunnan province, China. It also holds a right of first refusal to acquire the exclusive exploration rights in respect of 17 additional properties in Yunnan province, China.

10. Subsequent Events (continued)

This transaction will result in the former shareholders of GoldChina owning the majority of the issued and outstanding shares of the combined entity. Accounting principles applicable to reverse take-over will be applied to record this acquisition. Under this basis of accounting, GoldChina is identified as the acquirer and, accordingly, the combined entity is considered to be a continuation of GoldChina with the net assets of the Company deemed to have been acquired by GoldChina.

(b) The Company completed two private placements of 8,000,000 units in total; 6,000,000 units brokered and 2,000,000 units non-brokered, at a price of $0.25 per unit for aggregate gross proceeds of $2,000,000. Each unit consists of one common share and one purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at $0.45 per share for a period of two years, subject to an accelerated expiry clause.

Pursuant to the brokered placement, the Company paid the agent cash commission of $135,000, corporate finance fee of $5,000, and issued 560,000 Broker Warrants. The Broker Warrants entitles the holder to acquire one common share of the Company at $0.25 per share for a period of two years. There were no commissions or fees paid for the non-brokered private placement.

(c) The Company has entered into a Cooperative Agreement (the "Agreement") with Kobex Resources Ltd., a company controlled by a director of the Company. Pursuant to the Agreement Kobex is granted a right of first refusal to acquire a 60% undivided interest in one resource property available to the Company (the "Property"), excluding the Tangshang and Salachong properties. In order to acquire the interest, Kobex is required to fund US$3,000,000 of exploration and development expenditures on the property within three years from the date that Kobex identifies a property to pursue an interest in, but no later than three years from the date of the Agreement. If this requirement is not met, Kobex's rights under this Agreement will be terminated.

10. Subsequent Events (continued)

For the property selected, Kobex will also be required to issue to the Company up to an aggregate of 1,000,000 shares from its treasury on a staged basis as follows:

(i) 200,000 shares upon receipt of title to the property;

(ii) 200,000 shares upon expenditures by Kobex of US$1,000,000 on the property;

(iii) 200,000 shares upon expenditures by Kobex of a cumulative amount of US$3,000,000 on the property;

(iv) 400,000 shares upon a production decision being made by the parties in respect of the property.

(d) During the annual and extraordinary general meeting held in July 2004, the Company adopted a stock option plan whereby the Company can grant stock options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding share capital of the Company from time to time.

(e) On September 20, 2004, the Company granted to its directors and officers incentive stock options to purchase an aggregate of 1,860,000 common shares of the Company exercisable at the price of $0.25 per share for a period of five years from date of grant. The options are vested immediately.

Pacific Imperial Mines Inc.
Schedule B - Supplementary Information
June 30, 2004

(1) (a) Breakdown for deferred or expensed exploration costs

There were no deferred or expensed exploration costs during the period

(b) Breakdown for general administration expenses

See Statement of Operations and Deficit

(2) Related party transactions

See Note 3 of the notes to financial statements

(3) (a) Summary of securities issued during the year ended June 30, 2004

Date	Type	Type of Issue	Number	Price	Proceeds	Consideration	Issue Costs
18-Mar-04	Common shares	Private placement	3,800,000	$ 0.06	$ 228,000	Cash	Nil

(b) Summary of options granted during the year ended June 30, 2004

There were no stock options granted during the year.

(4) (a) Summary of securities as at the end of the period

Common shares	7,846,728

(b) Options outstanding

Nil

(c) Warrants outstanding

Nil

(d) Escrow shares outstanding

Nil

(5) List of directors and officers as at the date this report is signed and filed:

Leo King	Director and President
Fan Chang	Director and Chairman
Jeffrey Ma	Director
Michael Liu	Director and Chief Financial Officer
Geir Liland	Director
Chelsia Cheam	Corporate Secretary

PACIFIC IMPERIAL MINES INC.
Schedule C - Management Discussion and Analysis
Year Ended June 30, 2004

Description of Business

During the quarter, the Company continued its search for new business opportunities and was successful in acquiring a mineral exploration venture through a reverse take-over transaction in September 2004. The Company continues to be listed on the TSX Venture Exchange as Tier 2 natural resource issuer.

This Management Discussion & Analysis summarizes the activities of the Company to date, and provides financial information for the year ended June 30, 2004.

Business Acquisition

On May 4, 2004 the Company announced the signing of a Share Purchase Agreement (the “Goldchina Agreement”) with East Asian Global Finance Limited, Success Period Resources Limited and Gold Carlin Minerals Co., Ltd. (each privately held British Virgin Island companies) and 17 other parties, most of whom are residents of China (collectively the “Vendors”) whereby the Company would acquire 100% of the issued and outstanding shares of Goldchina Holdings Group Limited (“Goldchina”), a British Virgin Island company. Goldchina, through its wholly owned Chinese subsidiary, Yunnan Guangnan Gold Company Limited (“Guangnan Gold”), holds the exploration rights, through an agreement with Yunnan Non Ferrous Metal Geological Bureau (“YNMGB”), to explore two exploration properties located in Yunnan Province, China and known as the Tangshang and Salachong properties, covering a combined area of approximately 61 square kms. In addition, Guangnan Gold holds a right of first refusal to acquire the exclusive exploration rights in respect of 17 additional properties in Yunnan Province (covering an aggregate area of approximately 600 square kms.).

Under the terms of the Goldchina Agreement, the Company will issue to the Vendors an aggregate of 15,700,000 common shares at a deemed price of $0.07 per share (the “Purchase Shares”) in consideration for the shares of Goldchina. The Vendors, East Asian Global Finance Limited, Gold Carlin Minerals Co. Ltd. and Success Period Resources Limited will receive 37.3%, 29.1% and 8.1% of the Purchase Shares respectively. The other 17 Vendors will receive an aggregate of 25.5% of the Purchase Shares, none of whom will individually receive in excess of 5.0% of the Purchase Shares. The Purchase Shares will be released over a 36 month period from the date of completion of the Goldchina Agreement.

Material Contracts

On June 8, 2004, the Company entered into a Management and Administrative Services Agreement with International Barytex Resources Ltd. (“Barytex”). Under this agreement, Barytex will provide office space and administrative services to the Company for an all inclusive monthly fee of $6,300.00 plus GST. Included in this amount is the sum of $2,500 per month for the services of Leo King as President of the Company and $500 per month for the services of Chelsia Cheam as Corporate Secretary of the Company. Leo. King is also the President and director of Barytex.

Result of Operations

During the year ended June 30, 2004, the Company incurred a loss of $253,468 or $0.047 per share as compared to a loss of $37,650 or $0.010 per share for the same period in the previous year. Administrative expenses for the period were $215,818 higher than previous year due to intensified activities in business acquisition, which included $28,595 in accounting and audit, $30,000 in consulting fees, $117,415 in legal expenses, $15,061 in listing and filing fees, and $21,621 in travel and promotion.

Transactions with Related Parties

During the year, a total of $30,500 in management fees were paid to three directors of the Company

Management Change

On February 18, 2004, Queenie Dong resigned as Secretary and was replaced by Richard Chan.

On March 19, 2004, Shigang Wang resigned as President and director and was replaced by Dodge Li. On the same date, Richard Chan was appointed as director.

On April 29, 2004, Dodge Li resigned as President and director and Felex Mok also resigned as director. On the same date, Richard Chan was appointed as President of the Company. Leo King and Geir Liland were also appointed as directors.

Securities Issued and Stock Options Granted

On February 28, 2004, the company completed a private placement pursuant to which it raised gross proceeds of $228,000 for working capital purposes. The private placement consisted of 3,800,000 common shares at a price of $0.06 per share.

Liquidity and Solvency

The Company's business is in development stage and does not generate cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities and loan and advances from directors for financing. During the year ended June 30, 2004, the Company has incurred a loss of $253,468 and has accumulated a total deficit of $1,519,628. As of June 30, 2004, the Company had a working capital deficiency of $96,585. Included in the liability was a $90,000 demand bank loan secured by a term deposit funded by a director of the Company

The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

Investor Relations

The Company is responsible for its own investor relations activities and has not engaged a third party to handle this duty.

Subsequent Events

a) On September 20, 2004, the Company announced it had completed the acquisition of 100% of the issued and outstanding shares of GoldChina. This transaction resulted in the former shareholders of GoldChina owning the majority of the issued and outstanding shares of the combined entity. Accounting principles applicable to reverse take-over will be applied to record this acquisition. Under this basis of accounting, GoldChina is identified as the acquirer and, accordingly, the combined entity is considered to be a continuation of GoldChina with the net assets of the Company deemed to have been acquired by GoldChina.

b) On August 30, 2004, the Company entered into a Cooperative Agreement with Kobex Resources Ltd. ("Kobex") whereby Kobex was granted a right of first refusal to acquire a 60% undivided interest in one resource property available to the Company, excluding the Tangshang and Salachong properties. In order to acquire an interest, Kobex will be required to fund US$3,000,000 of exploration and development expenditures on the property within three years of the date Kobex identified a property to pursue an interest in. The right of first refusal will expire on the earlier of Kobex having identified a property to earn an interest in the three years from the date of the Cooperative Agreement. For the property selected, Kobex will also be required to issue to the Company up to an aggregate of 1,000,000 shares from its treasury on a staged basis as follows:

   (i) 200,000 shares upon receipt of title to the property;

   (ii) 200,000 shares upon expenditures by Kobex of US$1,000,000 on the property;

   (iii) 200,000 shares upon expenditures by Kobex of a cumulative amount of US$3,000,000 on the property;

   (iv) 400,000 shares upon a production decision being made by the parties in respect of the property.

   The president and director of Kobex is also the president and director of the Company.

   On September 20, 2004, the Company entered into a service agreement with Huasheng (Canada) Financial Management Ltd., a company controlled by a former director.

c) During the Annual and Extraordinary General Meeting of Members on July 23, 2004, Leo King and Geir Liland were re-elected as directors. In addition, Fan Chang, Jeffrey Ma and Michael Liu were elected as directors of the Company, subject to the completion of GoldChina. On September 20, 2004, when this acquisition was completed, the appointments of Messrs. Chang, Ma and Liu became effective. On the same date, Roman Shklanka was also appointed as an additional director.

   Effective September 20, 2004, Fan Chang was appointed as Chairman, Leo King was appointed as President and CEO, Michael Liu as Chief Financial Officer, and Chelsia Cheam as Corporate Secretary.

d) During the annual and extraordinary general meeting held in July 2004, the Company's shareholders approved the following by way of special resolutions:

   (i) Removal of the pre-existing company provisions under the Business Corporations Act (British Columbia);

   (ii) Adoption of a new form of Articles for the Company.

   The purpose of the first resolution was to comply with the new Business Corporation Act (British Columbia) and the second resolution was to allow the Company to have future special resolutions passed by two-thirds of the shareholders in attendance during an extraordinary general meeting instead of seventy five percent that was required previously. These resolutions are more particularly described in Page 8 and 10 of the Information Circular dated June 23, 2004.

e) In connection with the reverse take-over transaction on September 20, 2004, the Company completed a private placement of 8,000,000 units at a price of $0.25 per unit for aggregate gross proceeds of $2,000,000. Each unit consists of one common share and one purchase warrant. Each warrant will entitle the holder to purchase one common share from the Company at the price of $0.45 per share for a period of two years.

f) During the annual and extraordinary general meeting held in July 2004, the Company, by way of ordinary resolution, adopted a stock option plan whereby the Company can grant stock options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding share capital of the Company from time to time. On September 20, 2004, the Company granted to its directors and officers incentive stock options to purchase an aggregate of 1,860,000 common shares of the Company, exercisable at the price of $0.25 per share for a period of five years from date of grant.