



**British Columbia
Securities Commission**

**QUARTERLY AND YEAR END REPORT
BC FORM 51-901F (previously Form 61)**

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INCORPORATED AS PART OF:

_____ Schedule A
 Schedules B and C

 (Place X in appropriate category.)

ISSUER DETAILS

| NAME OF ISSUER | FOR QUARTER ENDED | DATE OF REPORT YY/MM/DD |
|---------------------------|-------------------|----------------------------|
| MADISON ENTERPRISES CORP. | JULY 31, 2003 | 2003/09/25 |

ISSUER'S ADDRESS

SUITE 2000 – 1055 WEST HASTINGS STREET

| CITY | PROVINCE | POSTAL CODE | ISSUER FAX NO. | ISSUER TELEPHONE NO. |
|------------------------|----------|--------------------|-----------------------------|-----------------------|
| VANCOUVER, | B.C. | V6E 2E9 | (604) 331-8773 | (604) 331-8772 |
| CONTACT PERSON | | CONTACT'S POSITION | | CONTACT TELEPHONE NO. |
| JAMES G. STEWART | | SECRETARY | | (604) 331-8772 |
| CONTACT EMAIL ADDRESS | | | WEB SITE ADDRESS | |
| Jstewart@mine-tech.com | | | www.madison-enterprises.com | |

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

| | | |
|----------------------|------------------|-------------------------|
| DIRECTOR'S SIGNATURE | PRINT FULL NAME | DATE SIGNED YY/MM/DD |
| "Chet Idziszek" | CHE T IDZISZEK | 2003/09/25 |
| DIRECTOR'S SIGNATURE | PRINT FULL NAME | DATE SIGNED YY/MM/DD |
| "James G. Stewart" | JAMES G. STEWART | 2003/09/25 |

(Electronic signatures should be entered in "quotations".)

SCHEDULE B

SUPPLEMENTARY INFORMATION

MADISON ENTERPRISES CORP.
SUPPLEMENTARY INFORMATION
FOR THE NINE MONTHS ENDED JULY 31, 2003

1. (a) Deferred costs:

See Schedule A – Notes to Interim Financial Statements, Note 4. *“Resource properties and deferred costs”*

(b) Breakdown of Office and Rent costs:

| | | |
|--------|----|-----------------------|
| Office | \$ | 86,725 |
| Rent | | <u>122,005</u> |
| | \$ | <u><u>208,730</u></u> |

(c) Breakdown of Public Relations costs:

| | | |
|--------------------------------|----|----------------------|
| Expenses | \$ | 8,004 |
| Investor relations consultants | | 59,200 |
| Internet | | <u>2,000</u> |
| | \$ | <u><u>69,204</u></u> |

2. Expenditures made to non-arm’s length parties:

See Schedule A – Notes to Interim Financial Statements, Note 6.

MADISON ENTERPRISES CORP.**SUPPLEMENTARY INFORMATION****FOR THE NINE MONTHS ENDED JULY 31, 2003****3. (a) Securities issued during the period:**

See Schedule A – Notes to Interim Financial Statements, Note 5 and:

| Date of Issue | Type of Security | Type of Issue | Number of Shares | Price | Net Proceeds | Type of Consideration |
|---------------|------------------|---------------------|------------------|--------|--------------|-----------------------|
| 05-Nov-02 | Units | Private Placement | 4,163,466 | \$0.15 | \$539,181 | Cash |
| 28-Nov-02 | Common shares | Compensation shares | 62,500 | \$0.15 | \$9,375 | See note 5 a) |
| 08-Jan-03 | Common shares | Exercise option | 46,000 | \$0.15 | \$6,900 | Cash |
| 13-Jan-03 | Common shares | Exercise warrants | 500,000 | \$0.12 | \$60,000 | Cash |
| 14-Jan-03 | Common shares | Exercise warrants | 250,000 | \$0.14 | \$35,000 | Cash |
| 30-Jan-03 | Common shares | Compensation shares | 42,613 | \$0.22 | \$9,375 | See note 5 a) |
| 03-Feb-03 | Common shares | Exercise warrants | 100,000 | \$0.12 | \$12,000 | Cash |
| 06-Feb-03 | Common shares | Exercise warrants | 100,000 | \$0.12 | \$12,000 | Cash |
| 07-Feb-03 | Common shares | Exercise warrants | 20,000 | \$0.12 | \$2,400 | Cash |
| 13-Feb-03 | Common shares | Exercise option | 42,000 | \$0.15 | \$6,300 | Cash |
| 24-Feb-03 | Units | Private placement | 11,004,000 | \$0.20 | \$1,998,311 | Cash |
| 24-Feb-03 | Common shares | Exercise warrants | 10,000 | \$0.12 | \$1,200 | Cash |
| 26-Feb-03 | Common shares | Exercise option | 50,000 | \$0.17 | \$8,500 | Cash |
| 11-Mar-03 | Common shares | Exercise warrants | 10,000 | \$0.12 | \$1,200 | Cash |
| 25-Mar-03 | Common shares | Exercise warrants | 500 | \$0.14 | \$70 | Cash |
| 25-Mar-03 | Common shares | Exercise warrants | 19,000 | \$0.12 | \$2,280 | Cash |
| 21-May-03 | Common shares | Compensation shares | 55,147 | \$0.17 | \$9,375 | See note 5 a) |

MADISON ENTERPRISES CORP.**SUPPLEMENTARY INFORMATION****FOR THE NINE MONTHS ENDED JULY 31, 2003****(b) Options granted during the period:**

| Date Granted | Number | Type | Name | Exercise Price | Expiry Date |
|--------------|---------|------------|------------------------------|----------------|-------------|
| 30-Dec-02 | 150,000 | Director | Abdullah Basodan | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 427,000 | Director | Chet Idziszek | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 150,000 | Director | Donald Kohls | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 150,000 | Director | Catherine McLeod- Seltzer | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 150,000 | Director | Robert Sibthorpe | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 325,000 | Director | James G. Stewart | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 575,000 | Consultant | Jeff Cocks | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 150,000 | Consultant | Nell Dragovan | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 100,000 | Consultant | Max Fugman | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 61,920 | Consultant | David Scott | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 100,000 | Consultant | David Mallo | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 41,000 | Consultant | Douglas Turnbull | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 48,000 | Employee | Naomi Corrigan | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 47,500 | Employee | Roswitha Davidson | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 55,000 | Employee | Elizabeth Anderson | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 45,000 | Employee | Elvie Valenzuela | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 48,000 | Employee | Sandra Hjerpe | \$0.20 | 30-Dec-07 |
| 30-Dec-02 | 45,000 | Employee | Graham Pople | \$0.20 | 30-Dec-07 |

4. (a) Authorized and issued share capital at July 31, 2003

| Class | Par Value | Authorized | Issued | |
|--------|-----------|-------------|------------|--------------|
| | | | Number | Amount |
| Common | N.P.V. | 300,000,000 | 72,151,811 | \$55,500,915 |

MADISON ENTERPRISES CORP.**SUPPLEMENTARY INFORMATION****FOR THE NINE MONTHS ENDED JULY 31, 2003****(b) Summary of options and warrants outstanding at July 31, 2003**

| Security | Number or Amount | Exercise or convertible price | Expiry Date |
|-----------------|------------------|-------------------------------|--------------------------------------|
| Options | 2,625,580 | \$0.17 | March 6, 2006 |
| Options | 552,000 | \$0.15 | May 21, 2007 |
| Options | 2,668,420 | \$0.20 | December 30, 2007 |
| Warrants | 3,300,000 | \$0.12 | September 21, 2003 |
| Agent Warrants | 841,000 | \$0.12 | September 21, 2003 |
| Warrants | 100,000 | \$0.14 | September 21, 2003 |
| Agent Warrants | 9,500 | \$0.14 | September 21, 2003 |
| Warrants | 2,001,666 | \$0.18 \$0.20 | November 5, 2003 November 5, 2004 |
| Agents Warrants | 680,566 | \$0.18 \$0.20 | November 5, 2003 November 5, 2004 |
| Warrants | 5,500,000 | \$0.25 | February 24, 2004 |
| Agent Warrants | 1,652,000 | \$0.25 | February 24, 2004 |

(c) Share in escrow or subject to a pooling agreement as at July 31, 2003

Number of Shares

Escrow

 NIL

5. List of Directors and Officers as at September 25, 2003

| Name | Position |
|----------------------|--|
| Chet Idziszek | Director, President, Chairman & C.E.O. |
| James Stewart | Director, Secretary |
| Dr. Abdullah Basodan | Director |
| Donald Kohls | Director |
| Nell Dragovan | Director |
| Robert Sibthorpe | Director |

SCHEDULE C

MANAGEMENT DISCUSSION

MADISON ENTERPRISES CORP.

(the "Company")

MANAGEMENT DISCUSSION FOR THE NINE MONTHS AND QUARTER ENDED JULY 31, 2003

During the nine months ended July 31, 2003, the Company continued exploration at its Lewis Property in Nevada and carried out brokered private placements which generated gross proceeds of \$2,780,500. The first placement consisted of 4,003,333 Units at a price of \$0.15 per Unit to generate gross proceeds of \$600,500. Each Unit consists of one common share and one half non-transferable share purchase warrant, each full warrant entitling the purchase of one additional share of the Company at a price of \$0.18 until November 5, 2003 and thereafter at a price of \$0.20 until November 5, 2004. The second placement consisted of 10,900,000 Units at a price of \$0.20 per Unit to generate gross proceeds of \$2,180,000 and a non-brokered private placement of 100,000 Units at a price of \$0.20 per Unit to generate gross proceeds of \$20,000. Each Unit consists of one common share and one half non-transferable share purchase warrant, each full warrant entitling the purchase of one additional share of the Company at a price of \$0.25 until February 24, 2004.

The proceeds from these placements have been and will be used to fund exploration on the Company's Mt. Kare gold property in Papua New Guinea and the Lewis Property in Nevada.

OPERATIONS AND FINANCIAL CONDITION

At July 31, 2003, the Company had total assets of \$43,797,054 as compared with \$41,586,554 at October 31, 2002. This increase is due to the sale of share capital. Working capital at July 31, 2003 increased to \$1,083,785 from working capital of \$244,000 at October 31, 2002. The Company's largest cash outflow in the three and nine month periods ended July 31, 2003 was as a result of exploration expenditures of \$565,071 and \$1,387,537, respectively. During the three and nine month periods ended July 31, 2002, the Company's largest cash outflow resulted from exploration expenditures of \$379,304 and \$656,127, respectively.

During the three and nine month periods ended July 31, 2003, the Company recorded interest income of \$11,767 and \$25,204, respectively, foreign exchange gains of \$5,234 and \$12,558, respectively, and a loss on the sale of marketable securities of \$15,774. During the three and nine month periods ended July 31, 2002, the Company recorded interest income of \$4,204 and \$13,596, respectively, a foreign exchange gain of \$4,883 and a foreign exchange loss of \$6,632, respectively and a loss on settlement of accounts receivable of \$6,825.

Expenses for the three month period ended July 31, 2003 were \$125,140, down from \$172,924 for the three month period ended July 31, 2002 due principally to decreased wages and stock based compensation. During the three month period ended July 31, 2003, the Company incurred expenses of \$66,005 with parties not at arm's length to the Company. These expenses are comprised of legal fees paid to directors of the Company or its Papua New Guinea subsidiaries totalling \$13,008 and office costs

incurred on behalf of companies with directors in common totalling \$52,997 pursuant to cost sharing arrangements with such companies. During the three month period ended July 31, 2002, the Company incurred expenses of \$65,694 with parties not at arm's length to the Company. These expenses are comprised of legal fees paid to directors of the Company or its Papua New Guinea subsidiaries totalling \$38,835 and office costs incurred on behalf of companies with directors in common totalling \$26,859 pursuant to cost sharing arrangements with such companies. The net loss for the three month period ended July 31, 2003 was \$123,913 or \$0.00 per share as compared with a net loss for the three month period ended July 31, 2002 of \$163,837 or \$0.00 per share.

Expenses for the nine month period ended July 31, 2003 were \$669,806, up from \$556,990 for the nine month period ended July 31, 2002 due principally to stock-based compensation of \$158,853 in the form of incentive stock options issued to consultants. During the nine month period ended July 31, 2003, the Company incurred expenses of \$264,603 with parties not at arm's length to the Company. These expenses are comprised of legal fees paid to directors of the Company or its Papua New Guinea subsidiaries totalling \$99,868 and office costs incurred on behalf of companies with directors in common totalling \$164,735 pursuant to cost sharing arrangements with such companies. During the nine month period ended July 31, 2002, the Company incurred expenses of \$195,668 with parties not at arm's length to the Company. These expenses are comprised of legal fees paid to directors of the Company or its Papua New Guinea subsidiaries totalling \$94,174 and office costs incurred on behalf of companies with directors in common totalling \$101,494 pursuant to cost sharing arrangements with such companies. The net loss for the nine month period ended July 31, 2003 was \$647,818 or \$0.01 per share as compared with a net loss for the nine month period July 31, 2002 of \$556,851 or \$0.01 per share.

CAPITAL STOCK

During the three month period ended July 31, 2003, the Company issued a total of 160,260 common shares, valued at \$28,125, to the President of the Company as compensation for a reduction in cash remuneration.

In addition, during the nine month period ended July 31, 2003, the Company carried out a brokered private placement of 10,900,000 Units at a price of \$0.20 per Unit to generate gross proceeds of \$2,180,000 and a non-brokered private placement of 100,000 Units at a price of \$0.20 per Unit to generate gross proceeds of \$20,000. Each Unit consists of one common share and one half non-transferable share purchase warrant, each full warrant entitling the purchase of one additional share of the Company at a price of \$0.25 until February 24, 2004. Canaccord Capital Corp. ("Canaccord") assisted the Company in arranging the private placement and, in consideration thereof, the Company paid Canaccord a commission and a finder's fee of 8% of the gross and issued to Canaccord 4,000 units and 1,650,000 brokers warrants also exercisable at a price of \$0.25 per share until February 24, 2004. During the same period, the Company also carried out a brokered private placement of 4,003,333 Units at a price of \$0.15 per Unit to generate gross proceeds of \$600,500. Each Unit consists of one common share and one half non-transferable share purchase warrant, each full warrant entitling the purchase of one additional share of the Company at a price of \$0.18 until November 5,

2003 and thereafter at a price of \$0.20 until November 5, 2004. Canaccord Capital Corp. ("Canaccord") assisted the Company in arranging the private placement and, in consideration thereof, the Company paid Canaccord a commission of 8% of the gross proceeds, payable half in cash and half in units, and issued to Canaccord 600,500 brokers warrants. In addition, the Company issued 105,113 shares having a deemed value of \$18,750 as compensation for its chief executive officer.

During the three month period ended July 31, 2002, the Company did not issue any securities. During the nine month period ended July 31, 2002, the Company issued 8,700,000 Units at a price of \$0.10 per Unit to generate proceeds of \$870,000. Each Unit consists of one common share and one half non-transferable share purchase warrant, each full warrant entitling the purchase of one additional share of the Company at a price of \$0.12 as to 8,000,000 units and at a price of \$0.14 as to 700,000 units, in both cases until September 21, 2003. In connection with this placement, the Company paid a finder's fee of 8% of the gross proceeds payable half in cash and half in units (\$32,000 and 320,000 units) and issued brokers warrants entitling the purchase of up to 900,000 shares at a price of \$0.12 and 10,000 shares at a price of \$0.14 per share, in both cases until September 21, 2003.

LIQUIDITY AND CAPITAL RESOURCES

In management's view, given the nature of the Company's activities, which consist of the acquisition, exploration, exploration management and sale of mineral properties, the most meaningful and material financial information concerning the Company relates to its current liquidity and capital resources. The Company does not currently own or have an interest in any mineral producing properties and has not derived any revenues from the sale of gold, silver or other materials in the last three financial years.

The Company's mineral exploration activities have been funded through sales of common shares, and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from its operations. There can be no assurance, however, that the Company will be able to obtain required financing in the future on acceptable terms, or at all, and should this occur, there is substantial doubt about the ability of the Company to continue as a going concern. In the near term, the Company plans to continue its exploration activities on its currently held properties. Based on its existing working capital, the Company does not expect to require additional financing for its currently held properties during the upcoming fiscal year. The Company has not carried out debt financing nor has it made use of any financial instruments for hedging purposes. The Company had no material commitments for capital expenditures at the end of its most recent fiscal year.

Management of the Company regularly reviews the net carrying value of the Company's interest in each mineral property. Where information is available and conditions suggest impairment, estimated future net cash flows from each property are calculated using estimated future prices, proven and probable reserves, and operating, capital and reclamation costs on an undiscounted basis. Reductions in the carrying value of each property would be recorded to the extent the net book value of the investment exceeds the estimated future cash flows. Where estimates of future net cash flows are not

available and where other conditions such as the exploration results incurred by the Company and others suggest impairment, management assesses if carrying value can be recovered.

At July 31, 2003, the Company had working capital of \$1,083,785, which management believes will be sufficient to meet the Company's general and administrative expenses and minimum expenditure commitments on the Lewis Property for the coming year. If the Company is to advance or develop its mineral properties further, it will be necessary to obtain additional funding and while the Company has been successful in the past, there can be no assurance that it will be able to do so in the future. If such funds are not available or cannot be obtained and its joint venture arrangements are insufficient to cover the costs of the Company's mineral exploration activities, the Company will be forced to curtail its exploration activities to a level for which funding is available or can be obtained.

Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in the Company's liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on its mineral exploration properties.

INVESTOR RELATIONS ACTIVITIES

The Company handles investor relations activities internally by assigning various duties to officers, directors and employees. These duties consist primarily of responding to enquiries from the Company's shareholders and the public, distribution of news and information about the Company and other developments in the resource industry, preparation for and attendance at industry conferences, maintenance of web sites on the Internet, increasing the Company's shareholder base and assisting in raising any capital which the Company might require.