

**Form 51-901F  
 QUARTERLY REPORT  
 Schedule "A"**

<b>ISSUER DETAILS:</b>	
<b>Name of Issuer</b>	<b>AMERICAN BONANZA GOLD MINING CORP.</b>
<b>Issuer's Address</b>	Suite 1606 - 675 West Hastings Street Vancouver, British Columbia, V6B 1N2
<b>Issuer Telephone Number</b>	(604) 699-0023
<b>Issuer's Web Site</b>	www.americanbonanza.com
<b>Contact Person</b>	Giulio T. Bonifacio
<b>Contact's Position</b>	Director, Executive Vice President & Chief Financial Officer
<b>Contact Telephone Number</b>	(604) 699-0023
<b>Contact E-mail</b>	gtbonifacio@boni.ca
<b>For Quarter Ended</b>	September 30, 2002
<b>Date of Report</b>	November 25, 2002
<b>CERTIFICATE</b>	
<i>The 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.</i>	
<i>"Brian P. Kirwin"</i>	2002/11/25
<b>Name of Director</b>	<b>Date Signed</b>
<i>"Giulio T. Bonifacio"</i>	2002/11/25
<b>Name of Director</b>	<b>Date Signed</b>

**American Bonanza Gold Mining Corp.**

Unaudited Consolidated Financial Statements  
For the Nine Months ended September 30, 2002

# American Bonanza Gold Mining Corp.

CONSOLIDATED BALANCE SHEETS 31, (Unaudited)	September 30, 2002	December 2001
	\$	\$
<b>ASSETS</b>		
CURRENT ASSETS		
Cash	800,230	12,968
Accounts receivable	18,474	-
	<u>818,704</u>	<u>12,968</u>
COPPERSTONE PROPERTY (Note 3)	6,672,657	4,306,537
MINERAL PROPERTIES (Note 4)	1,852,673	1,790,476
CAPITAL ASSETS, net	40,920	48,140
	<u>9,384,954</u>	<u>6,158,121</u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	748,149	781,827
Due to related parties (Note 7)	514,123	453,999
Current portion of long-term debt (Note 5)	852,626	-
	<u>2,114,898</u>	<u>1,235,826</u>
LONG-TERM DEBT (Note 5)	872,960	-
FUTURE INCOME TAXES	328,654	328,654
	<u>3,316,512</u>	<u>1,564,480</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital and share purchase warrants (Note 6)	19,534,024	17,742,491
Cumulative currency translation adjustment	43,031	43,031
Deficit	(13,508,613)	(13,191,881)
	<u>6,068,442</u>	<u>4,593,641</u>
	<u>9,384,954</u>	<u>6,158,121</u>
NATURE OF OPERATIONS (Note 1)		
SUBSEQUENT EVENT (Note 6)		

## APPROVED ON BEHALF OF THE BOARD,

Signed: Brian P. Kirwin  
Director

Signed: Ian W. Telfer  
Director

The accompanying notes are an integral part of these consolidated financial statements.

## American Bonanza Gold Mining Corp.

### CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

For the nine months ended September 30,

(Unaudited)

	2002	2001
	\$	\$
<b>REVENUE</b>		
Consulting income and other	<u>8,822</u>	104,583
<b>EXPENSES</b>		
General and administrative (Note 8)	136,304	121,459
Business development	45,435	-
Exploration	114,367	-
Amortization	7,220	-
Translation and foreign exchange loss	22,228	-
Write-off of mineral properties	-	875,634
	<u>325,554</u>	997,093
<b>NET LOSS</b>	(316,732)	(892,510)
<b>DEFICIT, beginning of period</b>	<u>(13,191,881)</u>	(12,108,259)
<b>DEFICIT, end of period</b>	<u>(13,508,613)</u>	(13,000,769)
<b>LOSS PER COMMON SHARE</b>		
Basic and diluted	<u>(0.00)</u>	(0.01)
<b>WEIGHTED AVERAGE NUMBER OF SHARES</b>	<u>71,369,048</u>	64,735,129

The accompanying notes are an integral part of these consolidated financial statements.

## American Bonanza Gold Mining Corp.

### CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended September 30,

(Unaudited)

	2002	2001
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss	(316,732)	(892,510)
Items not affecting cash		
Amortization	7,220	-
Write-off of mineral properties	-	875,634
	<u>(309,512)</u>	<u>(16,876)</u>
Changes in non-cash operating accounts		
Accounts receivable	(18,474)	(2,663)
Prepays	-	12,485
Accounts payable	(33,679)	48,465
	<u>(361,665)</u>	<u>41,411</u>
<b>INVESTING ACTIVITIES</b>		
Copperstone property	(2,366,120)	(241,719)
Mineral properties	(62,196)	(48,884)
	<u>(2,428,316)</u>	<u>(290,603)</u>
<b>FINANCING ACTIVITIES</b>		
Issue of common shares, net of issue costs	1,791,533	-
Long-term debt	1,745,920	-
Repayment of long-term debt	(20,334)	-
Due to related parties	60,124	196,740
	<u>3,577,243</u>	<u>196,740</u>
<b>INCREASE (DECREASE) IN CASH</b>	<b>787,262</b>	<b>(52,452)</b>
<b>CASH, beginning of period</b>	<b>12,968</b>	<b>62,840</b>
<b>CASH, end of period</b>	<b>800,230</b>	<b>10,388</b>
Cash flows include the following elements:		
Interest paid	66,045	-
Income taxes paid	-	-

The accompanying notes are an integral part of these consolidated financial statements.

# American Bonanza Gold Mining Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

### 1. NATURE OF OPERATIONS AND GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assume that American Bonanza Gold Mining Corp. will continue in operation and be able to realize its assets and discharge its liabilities in the normal course of operations.

The Corporation has a working capital deficiency as at September 30, 2002, does not have a recurring revenue source and is dependent on raising additional capital to fund its operations and continue the exploration and development of its mineral properties, principally the Copperstone project (Note 3). The Corporation continues to pursue various financing alternatives in order to raise the additional capital necessary for ongoing general working capital, exploration and development purposes.

If the Corporation were unable to continue as a "going concern", then substantial adjustments would be necessary to the carrying values of assets, the reported amounts of its liabilities, the reported revenues and expenses, and the balance sheet classifications used.

On October 18, 2002 (Note 6) the Corporation completed a private placement and shares for debt settlement providing a total of \$1,925,000 of additional funding and resulting in a positive working capital position.

### 2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial reporting, and the accounting policies used are consistent with the most recent published annual financial statements. While these financial statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and notes required by Canadian generally accepted accounting principles for complete financial statements. For further information, refer to the financial statements and notes thereto included in the Corporation's Annual Report for the year ended December 31, 2001.

### 3. COPPERSTONE PROPERTY

The Corporation is currently engaged in exploring and developing the Copperstone gold property in La Paz County, Arizona, U.S.A. as follows:

	<b>September 30, 2002 (Unaudited)</b>	December 31, 2001
	\$	\$
Copperstone Project	4,259,287	2,482,067
Copperstone D-Zone	<u>2,413,370</u>	<u>1,824,470</u>
	<u>6,672,657</u>	<u>4,306,537</u>

## American Bonanza Gold Mining Corp.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

#### 3. COPPERSTONE PROPERTY (Continued)

##### Copperstone Project

	\$
Balance, December 31, 1997	-
Option payment	783,250
Exploration and property maintenance expenditures	<u>575,260</u>
Balance, December 31, 1998	1,358,510
Exploration and property maintenance expenditures	<u>377,396</u>
Balance, December 31, 1999	1,735,906
Exploration and property maintenance expenditures	<u>576,120</u>
Balance, December 31, 2000	2,312,026
Exploration and property maintenance expenditures	<u>170,041</u>
Balance, December 31, 2001	2,482,067
Acquisition	1,613,382
Exploration and property maintenance expenditures	<u>163,838</u>
<b>Balance, September 30, 2002 (Unaudited)</b>	<b><u>4,259,287</u></b>

In August 1998, the Corporation entered into an agreement (the "Arctic Joint Venture") with Arctic Precious Metals Inc. ("APMI"), a subsidiary of Royal Oak Mines Inc., to explore and develop the Copperstone gold property. Pursuant to the Arctic Joint Venture, the Corporation acquired a 25 percent interest in the Copperstone Project for a cash payment of US\$500,000 with an option to increase its interest in the property to 80 percent by incurring US\$4,000,000 of exploration expenditures and other payments. Additionally the Corporation has agreed to make a US\$30,000 annual advance royalty payment to the property owner.

In November 1999, the Corporation entered into a purchase and sale agreement with APMI whereby the Corporation agreed to purchase for US\$1,000,000 all of APMI's rights, title and interest in the Copperstone Project owned by APMI who was undergoing U.S. Bankruptcy Code Chapter 11 financial restructuring.

In March 2002, the Corporation acquired a further 75% interest in the Copperstone mining property from APMI, a subsidiary of Royal Oak Mines, in a transaction which was subject to a lengthy US Bankruptcy Court process. APMI has assigned its lease on the Copperstone property to the Corporation so as to bring the Corporation's interest in the Copperstone mining property from 25% to 100%, subject only to the existing lease and royalty arrangements. This acquisition was funded by a loan of US\$1,100,000 from Trilon Financial Corporation, now called Brascan Financial Corporation ("Brascan") (Note 5).

##### Copperstone D-Zone

	\$
Initial advance	407,382
Advance royalty payment	199,712
Acquisition	541,788
Exploration expenditures	<u>1,264,488</u>
<b>Balance, September 30, 2002 (Unaudited)</b>	<b><u>2,413,370</u></b>

## **American Bonanza Gold Mining Corp.**

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### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2002 and 2001

(Unaudited)

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#### **3. COPPERSTONE PROPERTY (Continued)**

On June 18, 2000, the Corporation entered into a Letter Agreement with Centennial Development Corporation ("CDC"), the principal of which was previously a director of the Corporation, to form the Copperstone D-Zone Joint Venture ("D-Zone Joint Venture"). The D-Zone Joint Venture was formed for purposes of underground exploration and extraction of mineralized materials from the D-Zone of up to 50,000 tons of mineralized material, affecting approximately 5 percent of the resource ounces at the Copperstone Project.

Pursuant to the D-Zone Joint Venture, as amended, CDC was to acquire a 50 percent interest in the D-Zone of up to 50,000 tons of mineralized materials (subsequently reduced to 40 per cent) on the basis of funding mobilization, set up and initial drifting on the D-Zone. The Corporation had an option to increase its initial interest of 50 percent to 55 percent interest on D-Zone Joint Venture for a cash payment of US\$100,000 with a further option to increase its interest in the D-Zone Joint Venture as follows:

- (a) additional 5 percent interest if the Corporation provides all funding necessary to complete Phase One as documented in the agreement; and
- (b) further 15 percent interest for a cash payment of US\$500,000.

During 2001, Phase One was completed and the Corporation earned the additional 5 percent interest in the D-Zone Joint Venture for a total interest of 60% with the remaining interest held by CDC.

On February 14, 2002 the Corporation entered into an agreement with CDC whereby the Corporation would acquire the 40 percent interest of the D-Zone Joint Venture not already owned for the following consideration:

- (a) assumption of a total of US\$325,000 of Copperstone related liabilities. These liabilities were previously recorded by the Corporation as at December 31, 2000;
- (b) assumption of an estimated CDC payroll tax liability of up to US\$180,000 that may arise. If these liabilities exceed the estimated amount, then additional amounts will be paid equally by CDC and the Corporation;
- (c) US\$345,000 payable to CDC and or its principal on or before July 31, 2002;
- (d) A net smelter royalty of three percent from the first 50,000 tons of mineralized material extracted from the D-Zone, subsequent to repayment of the Brascan Loan (Note 5); and,
- (e) US\$70,000 from initial proceeds from extraction of mineralized materials from the D-Zone, following preferential repayment of the Brascan loan.

During the period the Corporation paid US\$345,000 on July 26, 2002 to CDC in accordance with the above agreement.



# American Bonanza Gold Mining Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

### 4. MINERAL PROPERTIES

Other mineral properties consist of the following:

	<b>September 30, 2002 (Unaudited)</b>	December 31, 2000
	\$	\$
Pamlico	<b>1,464,531</b>	1,414,486
Gold Bar	<b>388,142</b>	375,990
	<b>1,852,673</b>	1,790,476

Through the acquisition of Bonanza Gold Inc. and its wholly-owned subsidiary, Bonanza Explorations Inc., in 2000 the Corporation owned, or controlled by option, a number of exploration projects in the State of Nevada, U.S.A. The primary projects consisted of Pamlico, Golden Arrow, Gilbert, Gold Bar and Snowstorm properties.

During 2001 the Corporation returned the Golden Arrow project to the property vendor and released the Snowstorm, Gilbert and other mineral claims recognizing a write-down of \$893,558 during 2001.

The Pamlico and Gold Bar projects currently comprise 133 patented and unpatented claims covering approximately 10 square kilometers which are prospective for gold. An annual cash filing of US\$105 per unpatented claim is required to be paid to the Bureau of Land Management and the local counties. Annual taxes on patented claims are payable to the local authorities. All required payments were made with respect to the Pamlico and Gold Bar projects during 2001; therefore, the remaining claims held are in good standing to August 2002.

#### **Pamlico**

The Pamlico property is located in Mineral County, 15 kilometres from Hawthorne, Nevada. Pamlico was subject to a cash payment of US\$25,000 due November 2001 which has been deferred and paid on July 12, 2002. In 2002, the November payment increases to US\$150,000 and in 2003, to US\$675,000. The property is subject to a 1 percent net profits interest royalty after the final cash payment. Pamlico has no associated work commitments.

#### **Gold Bar**

The Gold Bar properties are located in Eureka County, 50 kilometres northwest of Eureka, Nevada. Gold Bar is subject to a 2 percent net smelter royalty capped at US\$1,000,000 on future production.

On September 27, 2002 the Corporation entered into an Option Agreement with American Nevada Gold Corp. ("American Nevada"). Under the terms of the Option Agreement, American Nevada will be granted an option to earn a 50% interest in both the Pamlico and Gold Bar properties (the "Properties") for the following consideration:

- (a) Cash consideration totaling \$107,500 due prior to November 11, 2002; and,
- (b) Issuance of 800,000 common shares of American Nevada and fund exploration expenditure totaling \$3,600,000 over a three-year period.

The Corporation has retained a back-in right to increase its interest in the Properties from 50% to 70% at any time within sixty days of the third anniversary date of the Option Agreement by reimbursing American Nevada for 200% of its cumulative exploration expenditures or \$7,200,000.

## **American Bonanza Gold Mining Corp.**

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### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2002 and 2001

(Unaudited)

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#### **5. LONG-TERM DEBT**

In connection with the acquisition of the remaining 75% interest in the Copperstone mining property subject only to the existing lease and royalty arrangements, the Corporation received a loan of US\$1,100,000 from Brascan Financial Corporation ("Brascan"), fully secured against the assets of the Corporation (the "Brascan Loan") with interest accruing at the base rate for the Canadian Imperial Bank of Commerce for US dollar loans made by the Bank of Canada, and to be paid monthly.

Under the terms of the agreement with Brascan, the Brascan Loan is repayable in two equal installments of US\$550,000 on March 4, 2003 and March 4, 2004, and in addition the Corporation has agreed to cause all proceeds, net of reasonable commissions and legal and other expenses related to such transaction, of any issuance of securities of the Corporation in excess of the aggregate sum of US\$1,000,000 received by the Corporation at any time during which the loan is outstanding, to be immediately paid to Brascan in accordance with the following formula:

- (a) 10% of cumulative proceeds greater than US\$1,000,000 but less than US\$2,000,000;
- (b) 20% of cumulative proceeds equal to or greater than US\$2,000,000 but less than US\$4,000,000; and
- (c) 30% of cumulative proceeds equal to or greater than US\$4,000,000 but less than US\$6,000,000.

Furthermore, the Corporation has agreed to cause all proceeds (less direct mining and operating expenses and other direct costs of sale) of any sale or other disposition of gold or gold-bearing ores or concentrates from the Corporation's interest in the Copperstone Property, including all such sales and dispositions in the ordinary course of the Corporation's business, at any time during which any of the Brascan Loan remains outstanding, to be immediately paid to Brascan on account of such outstanding amounts.

As a result of the Corporation's public offering completed on June 10, 2002 (note 6) the Corporation paid Brascan US\$12,800 on July 2, 2002 as a partial principal repayment of the loan outstanding.

The Corporation has also granted Brascan a non-transferable warrant to purchase up to 1,500,000 common shares of the Corporation at \$0.13 per share until March 4, 2004, with an option to extend the warrant for three additional one-year terms (Note 6).

The equity component of this facility pertaining to the warrant issue has not been recorded for accounting purposes as the deemed value is not considered significant.

# American Bonanza Gold Mining Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

### 6. SHARE CAPITAL

#### Authorized

The authorized share capital of the Corporation consists of 400,000,000 (2000 - 400,000,000) Class "A" common voting shares without par value, and 100,000,000 Class "B" preferred shares without par value, issuable in series.

	<b>Number of Common Shares</b>	<b>Amount</b>
<b>Issued – Class A Common</b>		\$
Balance, December 31, 1999	29,840,129	13,390,066
Issued on the acquisition of Bonanza Gold Inc.	20,000,000	2,200,000
Issued on private placement	14,610,000	2,113,950
Issued on exercise of share options	285,000	38,475
<b>Balance, December 31, 2000 and 2001</b>	<b>64,735,129</b>	<b>17,742,491</b>
Issued on public offering	15,784,600	1,747,683
Issued on exercise of share options	310,000	40,850
Issued on exercise of share purchase warrants	20,000	3,000
<b>Balance, September 30, 2002 (unaudited)</b>	<b>80,849,729</b>	<b>19,534,024</b>

On June 10, 2002 the Corporation completed a public offering of 15,384,600 units at a price of \$0.13 per unit. Each unit is comprised of one Common Share and one transferable Common Share Purchase Warrant ("Warrant"). Each Warrant entitles the holder to acquire one additional Common Share for a period of two years at a price of \$0.15 in the first year and \$0.17 in the second year. The Warrants were listed for trading on The TSX Venture Exchange on June 11, 2002.

Canaccord Capital Corporation ("Canaccord") as agent for this offering was paid an agent fee of 8.5% on the aggregate gross proceeds, agent warrants totaling 2,307,690 representing 15% of the number of units sold and a corporate finance fee payable through the issuance of 400,000 units.

On October 17, 2002 the Corporation completed shares for debt settlement agreements for indebtedness totaling \$400,000 by the issuance of 2,000,000 Common Shares at a deemed price of \$0.20 per Common Share. All these securities are subject to Exchange and Securities Act hold periods expiring February 17, 2003.

On October 18, 2002 the Corporation completed a private placement of 10,166,665 units at a price of \$0.15 per unit. Each unit is comprised of one Common Share and one non-transferable Common Share Purchase Warrant ("Warrant"). Each Warrant entitles the holder to acquire one additional Common Share for a period of two years at a price of \$0.17.

Canaccord as agent for this offering was paid an agent fee of 7% on the aggregate gross proceeds of the brokered portion sold by Canaccord, agent warrants totaling 766,666 representing 10% of the number of units sold by Canaccord and a corporate finance fee payable through the issuance of 250,000 units.

# American Bonanza Gold Mining Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

### 6. SHARE CAPITAL (Continued)

All these securities issued pursuant to the Private Placement are subject to Exchange and Securities Act hold periods expiring February 18, 2003.

#### Options

As at September 30, 2002, there are 5,110,000 share options granted and outstanding to directors and employees, exercisable between \$0.10 and \$0.20 per share at varying times up until March 4, 2007. The weighted average exercise price of these options at September 30, 2002 is \$0.15 per share.

#### Shares held in escrow

At September 30, 2002, 9,000,000 Common Shares of the 20,000,000 Common Shares of the Corporation issued to acquire Bonanza Gold Inc. remain in escrow and are subject to further release for a period of up to 36 months from the date of TSX Venture Exchange approval received on December 21, 2000.

#### Warrants

The Corporation has granted share purchase warrants to acquire an aggregate of 19,572,290 Common Shares as follows:

Number of warrants	Exercise price	Expiry date
18,072,290	\$ 0.15 to \$0.17	June 10, 2003 to June 10, 2004
1,500,000	\$ 0.13	March 4, 2004 <sup>(1)</sup>
<hr/>		
19,572,290		

- (1) Brascan has an option (the "Option") to extend the term of its warrant or any unexercised portion thereof for three additional one year terms beyond the original two year Expiry Date of its warrant, which Option may be exercised by Brascan by giving notice in writing to the Corporation to that effect at any time during the 30 day period (the "Option Period") commencing prior to the then current Expiry Date of its warrant. If Brascan exercises the Option, the Corporation is required to deliver to Brascan a new warrant certificate, against surrender to the Corporation of the old warrant certificate, and obtain all necessary stock exchange approval relating to the new warrant. The new Brascan warrant shall be on that same terms and conditions as the current Brascan warrant; provided that (a) as required by the Exchange, the exercise price of the new warrant will be the weighted average of the closing price of the Corporation's Common Shares during the 10 day period commencing on the date that is no more than 30 days prior to the expiry date of the then current Brascan warrant, and (b) the term of the new Brascan warrant shall be one year subject to the renewal Option.

## American Bonanza Gold Mining Corp.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2002 and 2001

(Unaudited)

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#### 7. RELATED PARTY TRANSACTIONS

During the nine month period ended September 30, 2002, directors and officers of the Corporation accrued compensation of \$46,260 for a total of \$167,760(December 31,2001-\$121,500) to reflect management and consulting services provided to the Corporation. These directors have agreed to defer payment of these amounts until the Corporation is able to raise additional capital to finance its further operations.

During the nine months ended September 30, 2002, directors of the Corporation loaned a further \$13,864 to the Corporation for total loans outstanding of \$271,890 at September 30, 2002 (December 31, 2001-\$258,026). These loans are unsecured, bear no interest and will be deferred until the Corporation is able to raise additional capital to finance its further operations.

Professional fees of \$54,288 were accrued to a director of the Corporation for services provided in the year ended December 31, 2000.

Administration fees of \$20,185 were accrued to a former officer for services provided to the Corporation in the year ended December 31, 2000.

#### 8. GENERAL AND ADMINISTRATIVE EXPENSES

	<b>September 30, 2002 (Unaudited)</b>	September 30, 2001
	\$	\$
Management and consulting fees	<b>98,820</b>	56,389
Office and administration	<b>16,334</b>	30,749
Public company expenses	<b>21,150</b>	34,321
	<b>136,304</b>	121,459

**Form 51-901F**  
**QUARTERLY REPORT**  
**Schedules “B & C”**

<b>ISSUER DETAILS:</b>	
<b>Name of Issuer</b>	<b>AMERICAN BONANZA GOLD MINING CORP.</b>
<b>Issuer’s Address</b>	Suite 1606 - 675 West Hastings Street Vancouver, British Columbia, V6B 1N2
<b>Issuer Telephone Number</b>	(604) 699-0023
<b>Issuer’s Web Site</b>	www.americanbonanza.com
<b>Contact Person</b>	Giulio T. Bonifacio
<b>Contact’s Position</b>	Director, Executive Vice President & Chief Financial Officer
<b>Contact Telephone Number</b>	(604) 699-0023
<b>Contact E-mail</b>	gtbonifacio@boni.ca
<b>For Quarter Ended</b>	September 30, 2002
<b>Date of Report</b>	November 25, 2002
<b><i>CERTIFICATE</i></b> <i>The 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.</i>	
<i>“Brian P. Kirwin”</i>	2002/11/25
<b>Name of Director</b>	<b>Date Signed</b>
<i>“Giulio T. Bonifacio”</i>	2002/11/25
<b>Name of Director</b>	<b>Date Signed</b>

**AMERICAN BONANZA GOLD MINING CORP.**

**1. ANALYSIS OF EXPENSES AND DEFERRED COSTS**

Summary of exploration expenditures on active properties:

	<b>Copperstone Project</b>	<b>Copperstone D-Zone</b>	<b>Nevada Projects</b>	<b>Total</b>
<b>Balance, December 31, 2001</b>	<b>\$2,482,067</b>	<b>\$1,824,470</b>	<b>\$1,790,476</b>	<b>\$6,097,013</b>
Additions during the period				
Land payments and royalty	45,149	47,112	62,197	154,458
Site maintenance & camp	66,044	-	-	66,044
Capitalized interest	52,645	-	-	52,645
Acquisition of interest	1,613,382	541,788	-	2,155,170
<b>Expenditures of the period</b>	<b>1,777,220</b>	<b>588,900</b>	<b>62,197</b>	<b>2,428,317</b>
<b>Balance, September 30, 2002</b>	<b>\$4,259,287</b>	<b>\$2,413,370</b>	<b>\$1,852,673</b>	<b>\$8,525,330</b>

**2. RELATED PARTY TRANSACTIONS**

- (a) During the nine months ended September 30, 2002, directors of the Corporation accrued compensation of \$46,260 for a total of \$167,760(December 31, 2001-\$121,500) to reflect management and consulting services provided to the Corporation. These directors have agreed to defer payment of these amounts until the Corporation is able to raise additional capital to finance its operations.
- (b) During the nine months ended September 30, 2002, various directors of the Corporation loaned a further \$13,864 to the Corporation for total loans outstanding of \$271,890 at September 30, 2002 (December 31, 2001-\$258,026). These loans are unsecured, bear no interest and will be deferred until the Corporation is able to raise additional capital to finance its operations.
- (c) Professional fees of \$54,288 were accrued to a director of the Corporation for services provided in the year ended December 31, 2000.
- (d) Administration fees of \$ 20,185 were accrued to a former officer for services provided to the Corporation in the year ended December 31, 2000.

**3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE QUARTER**

- (a) Securities Issued During the Quarter: Nil
- (b) Incentive Stock Option Granted During the Quarter: Nil

**4. SUMMARY OF SECURITIES AS AT END OF REPORTING PERIOD**

**(a) Authorized Capital**

400,000,000 Class "A" common voting shares without par value  
 100,000,000 Class "B" preferred shares without par value

**(b) Number and Recorded Value for Shares Issued and Outstanding**

80,849,729 common shares at a recorded value of \$19,534,024.

**(c) Outstanding Options**

Number of Options	Option Exercise Price	Option Expiry Date
190,000	\$0.20	January 11, 2005
310,000	\$0.15	September 11, 2005
2,250,000	\$0.15	December 22, 2005
2,360,000	\$0.10	March 7, 2007
<b>5,110,000</b>		

**(d) Outstanding Warrants**

Number of Warrants	Exercise Price of Warrants	Expiry Date of Warrants
1,500,000	\$0.13	March 4, 2004 (1)
18,072,290	\$0.15 to \$0.17	June 10, 2003 to June 10, 2004
<b>19,572,290</b>		



(1) Brascan Financial Corporation has an option (the “Option”) to extend the term of its warrants or any unexercised portion thereof for three additional one year terms beyond the original two year Expiry Date of its warrant, which Option may be exercised by Brascan by giving notice in writing to the Corporation to that effect at any time during the 30 day period (the “Option Period”) commencing prior to the then current Expiry Date of its warrant. If Brascan exercises the Option, the Corporation is required to deliver to Brascan a new warrant certificate, against surrender to the Corporation of the old warrant certificate, and obtain all necessary stock exchange approval relating to the new warrant. The new Brascan warrant shall be on that same terms and conditions as the current Brascan warrant; provided that (a) as required by the Exchange, the exercise price of the new warrant will be the weighted average of the closing price of the Corporation’s Common Shares during the 10 day period commencing on the date that is no more than 30 days prior to the expiry date of the then current Brascan warrant, and (b) the term of the new Brascan warrant shall be one year subject to the renewal Option.

**(e) Shares in Escrow or Pooling Agreements**

As at September 30, 2002, 9,000,000 Common Shares of the 20,000,000 Common Shares issued to acquire Bonanza Gold Inc. remain in escrow and are subject to further release for a period of up to 36 months from the date of TSX Venture Exchange approval received on December 21, 2000.

**5. LIST OF DIRECTORS AND OFFICERS**

Brian P. Kirwin, Director, President & CEO  
*Reno, Nevada*

David C. Beling, Director  
*Safford, Arizona*

Ian W. Telfer, Director  
*West Vancouver, British Columbia*

Giulio T. Bonifacio, Director, Executive Vice  
President & Chief Financial Officer  
*Vancouver, British Columbia*

Mr. Ronald K. Netolitzky resigned as a director of the Corporation on July 9, 2002. The directors and officers would like to acknowledge Mr. Netolitzky’s dedication and guidance to the Corporation over the last several years. Mr. Netolitzky has made very significant contribution towards the growth of the Corporation.

**AMERICAN BONANZA GOLD MINING CORP.**

**1. DESCRIPTION OF BUSINESS**

American Bonanza Gold Mining Corp. (the "Corporation") and its subsidiaries are engaged in the acquisition, exploration and development of high-grade precious metal properties located in the Great Basin of Nevada and other areas of the American Southwest.

The Corporation's head office is located in Vancouver, BC, Canada. Exploration headquarters are located in Reno, Nevada, United States. The Corporation's common shares trade on the TSX Venture Exchange under the symbol "BZA". Additionally the Corporation's common share purchase warrants trade on the TSX Venture Exchange under the symbol "BZA.WT"

**2. DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION**

**General Discussion**

For the nine months ended September 30, 2002, the Corporation had a net loss of \$316,732 compared with a net loss of \$892,510 for comparable period. General and administrative expenditures increased from \$121,459 to \$136,304 as a direct result of increased corporate activity which also contributed to \$45,435 of Business Development related expenditures. During the period the Corporation incurred \$114,367 of exploration related expenditures for purposes of project identification, data compilation and analysis .

As at September 30, 2002 the Corporation had a working capital deficit of \$1,296,194. Reference is made to the discussion below under "Liquidity and Solvency" and to Note 6 to the Corporation's Consolidated Financial Statements for the nine months ended September 30, 2002 whereby the Corporation completed a private placement and shares for debt settlement agreements totaling \$1,925,000 and resulting in a positive working capital position of approximately \$610,000.

**(a) Deferred costs**

See Schedule A and Schedule B for this quarterly report for a summary of activity during the period.

**(b) Acquisition or abandonment of resources properties:**

During the period the Corporation acquired an additional 75% interest in the Copperstone project more fully described in Note 3 to the Corporation's Consolidated Financial Statements for the nine months ended September 30, 2002.

Additionally the Corporation acquired the 40% interest of the D-Zone Joint Venture not already owned as more fully described in Note 3 to the Corporation's Consolidated Financial Statements for the nine months ended September 30, 2002.

**(c) Acquisition or disposition of other capital assets: Nil**

**(d) Material write-off or write-down of assets: Nil**

**(e) Transactions with related parties:**

Details of material contracts are described in the Section entitled Material Contracts and Commitments.

During the nine month period ended September 30, 2002, the directors and officers accrued compensation of \$46,260 to reflect management and consulting services provided to the Corporation. These directors and officers have agreed to defer these amounts until the Corporation is able to raise additional capital.

**(f) Material contracts and commitments:**

The Corporation currently has no material contracts or commitments other than described in the Corporation's Consolidated Financial Statements for the nine month period ending September 30, 2002.

**(g) Material variances: Nil**

**(h) Investor relations arrangements:**

The Corporation does not have any investor relations contracts. The Directors and Officers of the Corporation are available to answer shareholder inquiries as required.

**(i) Legal proceedings: Nil**

**(j) Contingent liabilities: Nil**

**(k) Default under debt or other contractual obligations: Nil**

**(l) Breach of laws: Nil**

**(m) Regulatory approval requirements: Nil**

**(n) Management changes: None**

**(o) Special resolutions passed by shareholders: Nil**

**3. SUBSEQUENT EVENTS**

Reference is made to Notes 6 of the Corporation's Consolidated Financial Statements for the nine months ended September 30, 2002.

**4. FINANCINGS, PRINCIPAL PURPOSES AND MILESTONES**

As more fully described in Note 6 to the Corporation's Consolidated Financial Statements for the nine months ended September 30, 2002 the Corporation completed, on June 10, 2002, a public offering for gross proceeds totaling \$2,000,000. Additionally on October 18, 2002 the Corporation completed a private placement and shares for debt settlement totaling \$1,925,000.

**4. FINANCINGS, PRINCIPAL PURPOSES AND MILESTONES (Continued)**

As more fully In the period the described in Note 3 to the Corporation's Consolidated Financial Statements for the nine moths ended September 30, 2002 the Corporation successfully acquired a further 75% interest in the Copperstone project for US\$1,000,000.

**5. LIQUIDITY AND SOLVENCY**

As at September 30, 2002 the Corporation had a working capital deficit of \$1,296,194 which included an amount payable to Brascan Financial Corporation on March 4, 2003 totaling \$852,626. The loan payable to Brascan Financial Corporation resulted from the Corporation's acquisition of a further 75% interest in Copperstone project.

Also included in the working capital deficit described above is an amount of \$514,123 payable to directors, officers or companies controlled by directors of the Corporation that will be deferred until the Corporation can raise additional capital.

As more fully described in Note 6 to the Corporation's Consolidated Financial Statements for the nine moths ended September 30, 2002 the Corporation completed a private placement and shares for debt settlement totaling \$1,925,000 which resulted in a positive working capital position of approximately \$610,000.

As the Corporation has no internal source of funding the Corporation will continue to depend on its ability to raise equity funds to continue its activities, however other methods of financing the Corporation are reviewed and evaluated on a continual basis.