



**British Columbia
Securities Commission**

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

Freedom of Information and Protection of Privacy Act: The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6731), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia

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.	JANUARY 31, 2004	2004/03/31

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
<i>"Chet Idziszek"</i>	Chet Idziszek	2004/03/31
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
<i>"James G. Stewart"</i>	James G. Stewart	2004/03/31

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

MADISON ENTERPRISES CORP.

QUARTERLY REPORT

JANUARY 31, 2004

(Unaudited – Prepared by Management)

Madison Enterprises Corp.
(An Exploration Stage Company)
Consolidated Balance Sheets
(Expressed in Canadian dollars)
As at

	January 31, 2004	October 31, 2003
ASSETS		
Current		
Cash and cash equivalents	\$ 289,852	\$ 664,653
Marketable securities	40,000	40,000
Receivables	266,326	241,854
Prepaid expenses and deposits	3,857	3,857
	<u>600,035</u>	<u>950,364</u>
Resource properties and deferred costs	43,617,917	43,271,169
Equipment	42,862	45,592
	<u>\$ 44,260,814</u>	<u>\$ 44,267,125</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 128,336	\$ 128,994
Shareholders' Equity		
Capital Stock		
Authorized		
300,000,000 common shares without par value		
Issued		
77,355,583 (October 31, 2003 – 76,545,583) common shares	56,071,976	55,882,956
Stock options	185,630	188,984
Share purchase warrants	150,659	150,659
Contributed surplus	1,167,167	1,167,167
Deficit	(13,442,954)	(13,251,635)
	<u>44,132,478</u>	<u>44,138,131</u>
	<u>\$ 44,260,814</u>	<u>\$ 44,267,125</u>

Nature and continuance of operations (Note 1)
Subsequent events (Note 9)

Approved by the Board: "Chet Idziszek" Director "James G. Stewart" Director

Madison Enterprises Corp.
(An Exploration Stage Company)
Consolidated Statements of Loss and Deficit
(expressed in Canadian dollars, unaudited)

	Three Months Ended January 31, 2004 \$	Three Months Ended January 31, 2003 \$
EXPENSES		
Audit and accounting	-	4,500
Bank charges	449	445
Consulting	3,000	-
Depreciation	2,730	3,658
Filing fees	2,026	4,761
Insurance	863	3,725
Legal fees	19,420	16,723
Office and rent	27,057	68,215
Office rent reimbursement	-	(47,195)
Public relations	28,192	25,335
Shareholder information	-	2,883
Stock-based compensation	30,416	158,853
Transfer agent's fees	2,343	1,718
Travel	19,828	7,415
Wages	57,049	101,395
	<u>(193,373)</u>	<u>(352,431)</u>
OTHER INCOME (EXPENSES)		
Interest earned	1,893	3,044
Foreign exchange gain	161	4,995
	<u>2,054</u>	<u>8,039</u>
Loss for the period	(191,319)	(344,392)
Deficit - Beginning of period	<u>(13,251,635)</u>	<u>(12,522,589)</u>
Deficit - End of period	<u>(13,442,954)</u>	<u>(12,866,981)</u>
Net loss per share	<u>(0.00)</u>	<u>(0.00)</u>

Madison Enterprises Corp.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows

(expressed in Canadian dollars, unaudited)

	Three Months Ended January 31, 2004 \$	Three Months Ended January 31, 2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(191,319)	(344,392)
Items not affecting cash		
Depreciation	2,730	3,658
Stock-based compensation	30,416	158,853
Change in non-cash working capital items:		
Increase in accounts receivable	(24,472)	(67,859)
Decrease in prepaid expenses and deposits	-	12,857
Increase in accounts payable and accrued liabilities	2,496	5,697
	<u>(180,149)</u>	<u>(231,186)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Capital stock issued for cash	<u>155,250</u>	<u>657,408</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Expenditures on resource properties	<u>(349,902)</u>	<u>(331,133)</u>
(Decrease) increase in cash and cash equivalents	(374,801)	95,089
Cash and cash equivalents - Beginning of period	<u>664,653</u>	<u>262,096</u>
Cash and cash equivalents - End of period	<u>289,852</u>	<u>357,185</u>

Supplemental disclosure with respect to cash flows (Note 7)

Madison Enterprises Corp.
Notes to Interim Consolidated Financial Statements
For the three months ended January 31, 2004
(Unaudited – Prepared by Management)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated in the Province of British Columbia and is in the process of exploring its resource properties and has not determined whether these properties contain ore reserves that are economically recoverable. To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

At January 31, 2004, the Company had working capital of \$471,699, which, together with the proceeds from share issuances subsequent to period end (Note 9), management believes will be sufficient to meet the Company's general and administrative expenses and minimum expenditure commitments on its resource properties 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.

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. These consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The business of exploring resource properties involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable operations. The recoverability of amounts shown for resource properties is dependent upon the discovery of economically recoverable ore reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete exploration and subsequent developments, and upon future profitable production from the properties or proceeds from disposition. The amounts shown as resource properties represent net costs to date, and do not necessarily represent present or future values.

Although the Company has taken steps to verify the title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, transfers or native land claims, and title may be affected by undetected defects.

2. INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

While these interim unaudited consolidated financial statements do not conform in all respects to the requirements of generally accepted accounting principles for annual financial statements, they follow the same accounting policies and methods of their application as the most recent annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended October 31, 2003.

Madison Enterprises Corp.
Notes to Interim Consolidated Financial Statements
For the three months ended January 31, 2004
(Unaudited – Prepared by Management)

3. SIGNIFICANT ACCOUNTING POLICIES

These interim consolidated financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements of the Company except as described below.

Effective November 1, 2003, the Company elects to follow the fair value-based methodology for measuring all stock-based compensation. The Company had previously used the intrinsic value-based method of accounting for employee and director stock options.

4. RESOURCE PROPERTIES AND DEFERRED COSTS

	Mt. Kare, Papua New Guinea	Lewis Property, Nevada	Totals
Balance, October 31, 2003	\$ 41,722,002	\$ 1,549,167	\$ 43,271,169
Assays	3,320	63,289	66,609
Camp/Office	16,084	340	16,424
Communications	7,765	722	8,487
Community Relations	732	-	732
Compensation Payments	-	8,869	8,869
Computers/Drafting	-	5,322	5,322
Contractors-Surveying	-	6,637	6,637
Drilling	-	35,070	35,070
Food Supplies and Catering	26,268	-	26,268
Fuel Supplies	9,187	-	9,187
Geologic Staff	24,723	35,587	60,310
Geological Supplies/Equipment	-	489	489
Helicopter	36,128	-	36,128
Land & Legal	-	671	671
Lawyer Fees	20,987	-	20,987
Local Labour-Wages	16,252	-	16,252
Option fees	-	54,749	54,749
Outside Contractors- Community Relations	70,936	-	70,936
Port Moresby Office	2,817	-	2,817
Security	890	-	890
Technical Reports, Printing/ Copying	-	4,900	4,900
Travel & Accommodation	7,170	10,594	17,764
VAT Refundable	(123,750)	-	(123,750)
	<u>119,509</u>	<u>227,239</u>	<u>346,748</u>
Balance, January 31, 2004	<u>\$ 41,841,511</u>	<u>\$ 1,776,406</u>	<u>\$ 43,617,917</u>

Madison Enterprises Corp.
Notes to Interim Consolidated Financial Statements
For the three months ended January 31, 2004
(Unaudited – Prepared by Management)

During the period ended January 31, 2004, the Company met its requirements to earn a 51% interest in the Lewis Property.

5. CAPITAL STOCK

The Company's authorized share capital consists of 300,000,000 common shares without par value.

	Number of Shares	Amount \$
Balance, October 31, 2003	76,545,583	55,882,956
Exercise of Stock Options	575,000	135,770
Exercise of Warrants	235,000	53,250
Balance, January 31, 2004	<u>77,355,583</u>	<u>56,071,976</u>

During the three months ended January 31, 2004, the Company granted a 100,000 share incentive stock option exercisable at a price of \$0.46 per share until December 3, 2008. Stock-based compensation of \$30,416 was recorded pursuant to the granting of this stock option.

6. RELATED PARTY TRANSACTIONS

- a) The Company incurred the following expenses with directors and a company related by way of directors in common during the three months ended January 31, 2004, and 2003:

	2004 \$	2003 \$
Consulting fees	3,000	-
Legal fees	15,975	14,029
Exploration management and other expenditures on resource assets	12,375	19,833
Share issue costs charged to capital stock	-	4,515

- b) As at January 31, 2004, accounts payable and accrued liabilities include \$16,374 (October 31, 2003 - \$1,546) due to officers of the Company and companies related by way of directors in common.

- c) During the three months ended January 31, 2004, the Company recorded reimbursements of \$Nil (2003 - \$43,518) for rental of office space from companies related by way of directors in common, under rental agreements between the related companies.

Madison Enterprises Corp.
Notes to Interim Consolidated Financial Statements
For the three months ended January 31, 2004
(Unaudited – Prepared by Management)

- d) During the three months ended January 31, 2004, the Company funded some general and administrative expenses for companies related by way of directors in common. At January 31, 2004, accounts receivable include \$129,653 (October 31, 2003 - \$223,575) due from these related companies.

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the period ended January 31, 2004, the Company conducted the following non-cash transactions:

Transferred \$33,770 to Capital Stock on the exercise of stock options for which stock-based compensation had previously been recorded.

8. SEGMENTED INFORMATION

The Company has one operating segment being the exploration of mineral properties located in Papua New Guinea and the United States. All equipment is held in Canada.

9. SUBSEQUENT EVENTS

The following events occurred subsequent to January 31, 2004:

- a) The Company issued 500,000 common shares for proceeds of \$100,000 on the exercise of stock options.
- b) The Company issued 4,587,000 common shares for proceeds of \$1,143,750 on the exercise of warrants.