

## QUARTERLY REPORT

FORM 51-901F

### ISSUER DETAILS

Issuer Name	Acrex Ventures Ltd.
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For Quarter Ended	March 31, 2002
Date of Report	May 28, 2002

### CERTIFICATE

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

DIRECTOR'S SIGNATURE               “T.J. Malcolm Powell”               DATE: 05/28/02

DIRECTOR'S SIGNATURE               “Carl R. Jonsson”               DATE: 05/28/02

**FINANCIAL STATEMENTS**

**ACREX VENTURES LTD.**

**VANCOUVER, BRITISH COLUMBIA, CANADA**

**MARCH 31, 2002**

1. NOTICE TO READER
2. STATEMENT OF EARNINGS AND DEFICIT
3. BALANCE SHEET
4. STATEMENT OF CASH FLOWS
5. NOTES TO FINANCIAL STATEMENTS

**BEDFORD CURRY & CO.**  
CHARTERED ACCOUNTANTS

MICHAEL J. BEDFORD INC.

**NOTICE TO READER**

We have compiled the balance sheet of ACREX Ventures Ltd. as at March 31, 2002 and the statement of earnings and retained earnings and cash flows for the period then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Vancouver, British Columbia, Canada  
May 16, 2002

**BEDFORD CURRY & CO.**  
CHARTERED ACCOUNTANTS

# ACREX Ventures Ltd.

## STATEMENT OF EARNINGS AND DEFICIT

*Unaudited - See Notice to Reader*

	Three months ended March 31,	
	2002	2001
<b>EXPENSES</b>		
Accounting	\$ 3,743	3,268
Legal	3,325	5,566
Filing fees	2,050	4,420
Office and general	1,759	111
Transfer agent fees	747	691
Business investigation costs	-	8,000
<b>NET LOSS</b>	<b>(11,624)</b>	<b>(22,056)</b>
Deficit, beginning of period	(2,682,209)	(2,590,412)
<b>DEFICIT, end of period</b>	<b>\$ (2,693,833)</b>	<b>(2,612,468)</b>
<b>LOSS PER SHARE</b>		
	\$ (0.004)	(0.007)
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</b>	<b>3,342,216</b>	<b>3,056,516</b>

# ACREX Ventures Ltd.

## BALANCE SHEET

Unaudited - See Notice to Reader

	March 31, 2002	December 31, 2001
<b>ASSETS</b>		
Current		
Cash	\$ 348	1,679
Accounts receivable	334	484
	<b>682</b>	2,163
Deferred share issue costs	<b>30,000</b>	22,375
	<b>\$ 30,682</b>	24,538
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 133,910	116,142
<b>SHAREHOLDERS' DEFICIENCY</b>		
Share capital [Note 2]	2,590,605	2,590,605
Deficit	(2,693,833)	(2,682,209)
	<b>(103,228)</b>	(91,604)
	<b>\$ 30,682</b>	24,538

APPROVED ON BEHALF OF THE BOARD:

"T.J. MALCOLM POWELL"  
Director

"CARL R. JONSSON"  
Director

## ACREX Ventures Ltd.

### STATEMENT OF CASH FLOWS

*Unaudited - See Notice to Reader*

	Three months ended March 31,	
	2002	2001
<b>OPERATIONS</b>		
Net loss	\$ (11,624)	(22,056)
Changes in non-cash working capital items:		
Decrease in accounts receivable	150	1,211
Increase in accounts payable	17,768	12,626
	<b>6,294</b>	<b>(8,219)</b>
<b>FINANCING</b>		
Deferred share issue costs	(7,625)	-
Decrease in cash	(1,331)	(8,219)
Cash, beginning of period	1,679	11,644
<b>CASH, end of period</b>	<b>\$ 348</b>	<b>3,425</b>

# ACREX Ventures Ltd.

## NOTES TO FINANCIAL STATEMENTS

Three months ended March 31, 2002

### 1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

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The accompanying unaudited financial statements are prepared in accordance with Canadian generally accepted accounting principles but do not conform in all respects to the note disclosure requirements for its annual financial statements. The unaudited financial statements have been prepared on a basis consistent with the accounting principles and policies described in the annual financial statements, except as noted below, and should be read in conjunction with those statements. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included in these financial statements.

**Stock options-** Effective January 1, 2002 the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants on "Stock-Based Compensation and Other Stock-Based Payments". These new recommendations require that compensation for all awards made to non-employees and certain awards made to employees be measured and recorded in the financial statements at fair value. The Company, as permitted by the new recommendation, has chosen to continue its existing policy of recording no compensation cost on the grant of stock options to employees and in accordance with the recommendations will provide certain pro forma information required by the fair value method of accounting for stock options. The adoption of the new accounting standard has no material effect on the interim financial statements. The Company does not presently have any stock options outstanding.

**Earnings per share** - Effective January 1, 2001, the Company retroactively adopted the new accounting recommendations made by the CICA for presentation and disclosure of basic and diluted earnings per share. The Company has adopted the "treasury stock method" in computing earnings per share. The retroactive impact of adopting the new recommendations had no significant impact on the Company's basic and diluted earnings per share. Basic earnings per common share are calculated on the net earnings using the weighted average number of shares outstanding during the fiscal period.

For the period ended March 31, 2002, the existence of stock options and warrants affects the calculation of loss per share on a fully diluted basis. As the effect of this dilution is to reduce the reported loss per share, fully diluted loss per share information has not been shown.

### 2. SHARE CAPITAL

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The Company has authorized share capital of 25,000,000 common voting shares without par value. The issued share capital is as follows:

	March 31, 2002		December 31, 2001	
	Number	Amount	Number	Amount
Balance, beginning and end of period	3,056,516	\$ 2,590,605	3,056,516	\$ 2,515,609
Escrow shares cancelled at \$0.01 per share	-	-	285,700	74,996
Balance, end of period	3,056,516	\$ 2,590,605	3,342,216	\$ 2,590,605

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## **ACREX Ventures Ltd.**

### **NOTES TO FINANCIAL STATEMENTS**

*Three months ended March 31, 2002*

#### **3. SUBSEQUENT EVENT**

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On May 16, 2002, the Company issued 3,974,667 units for proceeds of \$1,249,975 pursuant to its public prospectus offering dated February 20, 2002. The 3,974,667 units included 2,823,167 non-flow-through units at \$0.30 per unit and 1,151,500 flow-through units at \$0.35 per unit. Each flow-through and non-flow-through unit was comprised of one common share and one share purchase warrant. The warrants attached to the non-flow-through units entitle the holder to purchase one share at \$0.35 per share until May 16, 2003 and \$0.40 per share until May 19, 2004. The warrants attached to the flow-through units entitle the holder to purchase one share at \$0.35 per share until May 16, 2003. Additionally, 833,333 non-transferable Agent warrants were issued which entitle the holder to purchase one share at \$0.30 per share until May 16, 2003.