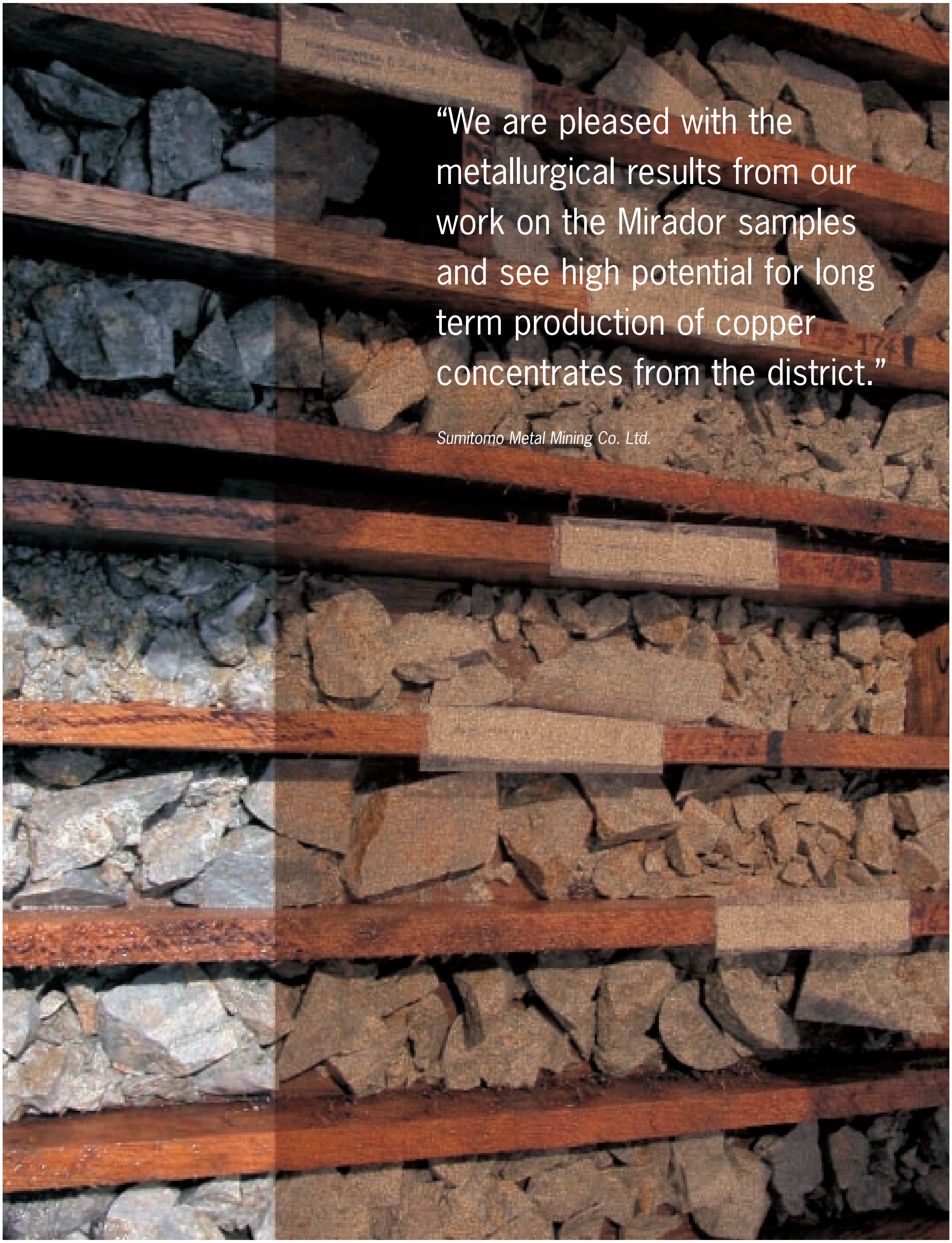
ANNUAL REPORT 2003

CORRIENTE RESOURCES INC.



"We are pleased with the metallurgical results from our work on the Mirador samples and see high potential for long term production of copper concentrates from the district."

Sumitomo Metal Mining Co. Ltd.

(cover) Panorama looking to the south with the Mirador deposit in center
(this page) Drill core samples from Mirador

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Crew at Mirador drill camp

Corriente achieved significant progress during the year as very positive drilling results were produced from our Corriente Copper Belt properties which, together with higher metal prices, resulted in a major increase in the market value of the company. These events enabled the company to raise over $22 million in equity capital in 2003 and the first quarter of 2004, which will be used to further the company's resource development plans in Ecuador.

In March 2003, the company announced the results of an independent engineering study completed by Merit Consultants International, J.A. Chapman Mining Services, Knight Piésold and Geospectrum Engineering on a portion of the inferred copper resource at the Mirador deposit. This study shows a pre-tax Net Present Value of US$ 214 million and an Internal Rate of Return of 38% using a copper price of US$ 0.90 per pound and a gold price of US$ 325 per ounce. The study modeled a 20,000 ton-per-day operation with estimated capital costs of US$ 140 million.

In July 2003, Corriente announced that Sumitomo Metal Mining Co. Ltd. of Japan carried out an independent metallurgical study on Mirador ore at their facilities in Japan. The study confirmed earlier test work showing high copper recoveries, and Mr. Masayuki Hisatsune, Vice-President of Sumitomo in Vancouver commented in the announcement, "We are pleased with the metallurgical results from our work on the Mirador samples and see high potential for long term production of copper concentrates from the district."

Existing roads in close proximity to the projects, abundant hydro power potential and access to ports, have made it possible to pursue a staged vision for development of the Corriente Copper Belt District. Our development plans call for an initial 20,000 tonne-per-day operation at Mirador which will provide a base for growth to a 100,000+ tonne-per-day producing district. This growth could be achieved out of cash flow from operations, greatly reducing financial exposure to the company.

To fast track achievement of this goal, Corriente started a bankable feasibility study of the Mirador property in October 2003, which is planned for completion in July 2004, and awarded the resource, mining, metallurgy and environmental management of the study to AMEC E&C Services Limited. The Mirador project will be the first metal mining project of its size to go into production in Ecuador and will set the stage for the development of numerous other mining projects within the country. In order to advance the Mirador feasibility study, Corriente made a significant addition to its management team in February 2004 by naming Mr. Ron Simkus as Senior Vice-President, Mining. Mr. Simkus brings to Corriente a wealth of mine development experience with a particular focus on open-pit base metal operations, having most recently been responsible overall for the successful development and commissioning of the Compania Minera Antamina S.A. deposit in Peru.

In addition to the Mirador feasibility study, exploration activity is planned for 2004 to test several new porphyry targets in the Corriente Copper Belt using the same basic techniques which were employed to discover the Mirador, San Carlos and Panantza property resources (now totaling 560 million inferred resource tonnes averaging 0.81% copper). In this regard, a total of 10,000 metres of exploration drilling is planned, with a goal of adding significantly to our Corriente Copper Belt resource total.

On behalf of the Board,

Kenneth R. Shannon (signed)
President and Chief Executive Officer
March 12, 2004

Ecuador Overview

Through a series of land acquisition and exploration activities, Corriente now has a 100% interest covering 70,000 hectares over a 40 x 80 kilometre area within the Corriente Copper Belt in southeast Ecuador.

Mr. J. David Lowell has the option to acquire a 100% interest in the Warintza project or revert back to a 10% interest in Corriente's interest in all of its Ecuador projects.

The Belt currently contains three copper and copper-gold porphyry deposits with inferred resources of 560 million tonnes of 0.81% copper with separate gold and molybdenum credits (Mirador, Panantza and San Carlos). Six additional copper and copper-gold exploration targets have also been identified in the Corriente Copper Belt to date.

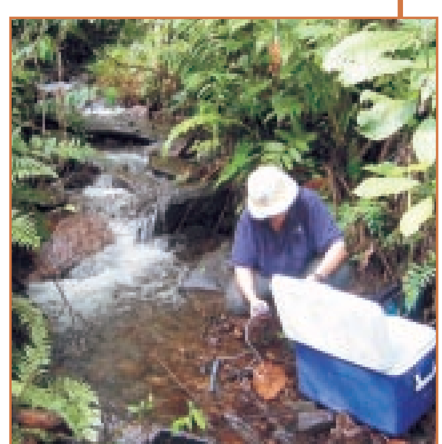
With significant mining and capital resources in hand, the company is proceeding with the development of its Mirador property, with the intention of providing a foundation from which to expand its mining activities to the Corriente Copper Belt as a whole.

Feasibility Study

Following on from the company's modified scoping study completed in the first quarter of 2003 that assessed the economics of a 20,000 tonne per day milling operation, the company awarded the resource, mining, metallurgy and environmental management of a bankable feasibility study for the Mirador Project to the internationally respected engineering firm of AMEC E&C Services Limited (AMEC), in October 2003.

Pursuant to the AMEC Technical Services Agreement, AMEC will address, in detail: geotechnical, mining, processing and support facilities site development and financial modelling for the building of a 20,000 tonne-per-day mine and milling facility at the Mirador site. Resource and reserve calculations will also be included.

In order to have such a study completed, the company has also entered into agreements with certain other drilling and technical services companies. The total cost, including associated fieldwork, is estimated at approximately $3 million, to be paid from the



Water sampling for environmental studies company's cash resources on hand. This feasibility study also includes a significant drilling campaign which began in 2003 and is designed to provide samples for additional metallurgical test work, confirm resource deposit estimates and provide essential geotechnical data on the Mirador properties. The study is scheduled for completion in mid-2004.

Metallurgy

The company's prior metallurgical test-work was further enhanced by the results of Sumitomo Metal Mining Co. Ltd.'s work carried out on representative samples of drill core from the Mirador project in southern Ecuador that were collected during a property visit by Sumitomo in mid-2003. The study was reviewed by an independent metallurgical consultant, who stated that the key results of the study indicate:

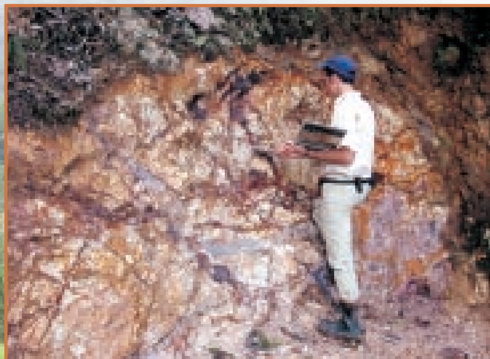
- **Rougher flotation followed by regrinding and cleaning is expected to recover 92% of the copper**
- **Copper grade of the concentrate is expected to exceed 30% copper**
- **The grinding power requirement is moderate, with a Bond Work Index of 15.4 kWh/tonne and a primary grind of 80% passing 100 microns**
- **Analysis of the copper concentrate indicates that it contains no penalty elements**

Consequently, these results validate the company's earlier conclusion that Mirador mineralization responds extremely well to simple flotation processing and produces a clean, high grade concentrate.

Mineralized outcrop at Mirador

Breccia sample from Mirador

Core logging at Mirador



(above) Geologist examining outcrop at Mirador
(main picture) Engineering consultants hiking to viewpoint to north of Mirador

Exploration

In addition to the feasibility drill program at Mirador, exploration will proceed at the recently discovered Mirador Norte resource property, which is three kilometres to the northwest of the company's Mirador resource property.

Drilling at Mirador Norte will be focused on delineation of high-grade copper resources, which could provide an opportunity to enhance the economics of the ongoing Mirador feasibility study.

Upon completion of the feasibility drilling, Corriente will start an exploration drill campaign in the Northern area of the Corriente Copper Belt. The campaign will test a series of high quality porphyry targets in the vicinity of the Panantza and San Carlos deposits. Drilling is scheduled to continue through 2004.

Finance

With rising world copper and gold metals prices, and positive resource property results in hand, the company was able to raise a total of approximately $ 22,000,000 from the issue of common shares and exercise of warrants in 2003 and the first quarter of 2004. With virtually all of these funds still in hand going forward into 2004, the company is well-positioned to continue with its resource property development plans.

During 2003, the company's shares began trading on the Frankfurt, Munich and Berlin stock exchanges in Germany under the symbol CTQ. The WKN number is 871 464 and the ISIN number is CA22027E1025. Together with trading on the Toronto Stock Exchange, the company's shares can be traded by a large cross-section of international investors.

Personnel

In February 2004, Mr. Ron Simkus joined Corriente to guide the process of completing the feasibility study at the Mirador Copper-Gold Project in southeast Ecuador and to facilitate the construction and operation of a 20,000 tonne per day plant at the site.

Mr. Simkus was most recently the President and CEO of Compania Minera Antamina S.A. in Peru and oversaw the commissioning of the Antamina deposit and the successful transition of the largest copper mining construction project in recent history (approximately US$ 2.2 billion) from a project to a sustainable mining operation. Previously, Mr. Simkus spent 8 years at Highland Valley Copper including 3 years as President and General Manager. Highland Valley is one of the largest open pit copper operations in the world.

Plans for 2004

With the bankable feasibility study completed, which is expected to validate the company's Mirador reserves and the feasibility of its Mirador mine development plans, the company will continue with development of its Corriente Copper Belt resource properties. Key components of such development plans will be the arranging and completion of project financing.

Additionally, exploration drilling to prove out other newly-identified porphyry targets such as Mirador Norte and others located in the Northern sector of the Corriente Copper Belt will continue through 2004.

Drilling with portable rig at Mirador

March 4, 2004

Management's Discussion and Analysis supplements, but does not form part of, the audited consolidated financial statements of the company and the notes thereto for the fiscal year ended December 31, 2003. Consequently, the following discussion and analysis of the financial condition and results of operations for Corriente Resources Inc. should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2003 and 2002 and related notes therein, which have been prepared in accordance with Canadian generally accepted accounting principles, consistently applied.

Additional information, including the company's Annual Information Form, can be found on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain statements contained in the following Management's Discussion and Analysis (MD&A) and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance of achievements of the company to materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Corporate Governance

Management of the company is responsible for the preparation and presentation of the annual consolidated financial statements and notes thereto, MD&A and other information contained in this annual report. Additionally, it is Management's responsibility to ensure the company complies with the laws and regulations applicable to its activities.

The company's Management is held accountable to the Board of Directors (Directors), each member of which is elected annually by the shareholders of the company. The Directors are responsible for reviewing and approving the annual audited consolidated financial statements and the MD&A. Responsibility for the review and approval of the company's quarterly unaudited interim consolidated financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of three directors, all of whom are independent of Management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the company's auditors.

The auditors are appointed annually by the shareholders to conduct an audit of the consolidated financial statements in accordance with generally accepted auditing standards. The external auditors have complete access to the Audit Committee to discuss audit, financial reporting and related matters resulting from the annual audit as well as assist the members of the Audit Committee in discharging their corporate governance responsibilities.

In January 2004, the Canadian Securities Administrators (CSA) released a draft of a proposed policy establishing 'best practices' for boards of directors for public companies, covering: composition of the boards of directors; adoption of a board mandate; development of position descriptions for directors and chief executive officers; adoption of a written code of business conduct and ethics; orientation and continuing education for directors; board nominations; requiring appointment of a compensation committee composed entirely of independent directors; and the implementation of regular board assessments. While every reporting issuer is encouraged, but not yet required to adopt these practices, they are under active review by the Directors as such corporate governance practices, where appropriate, are considered to be essential to the effective operation of the company. The disclosure of Corriente's corporate governance policies is contained in the company's Information Circular prepared for the May 2004 Annual General Meeting. The disclosure statement has been prepared by the company's Corporate Governance Committee and approved by the Board of Directors.

General

Corriente is a Canadian-based junior resource exploration company engaged in the exploration and development of copper-gold resource properties located primarily in the Corriente Copper Belt in Ecuador. These interests are covered under two joint venture agreements entered into with BHP Billiton Plc (BHP Billiton) in 1999 and 2000 wherein the company can earn ownership interests in various areas of the Belt from BHP Billiton's Ecuadorian subsidiaries. This process has been completed for three projects and Corriente (90%) and J. David Lowell (10%) now control the Mirador, Panantza and San Carlos prospects in the Corriente Copper Belt.

In a transaction that closed during the last quarter of 2003, Corriente and Lowell were granted a 100% interest in the remaining BHP Billiton concessions in the Ecuador Joint Ventures, subject to a 2% Net Smelter Royalty to BHP Billiton ("NSR"). Corriente has the option to reduce the NSR to 1% for the Mirador, Panantza and San Carlos projects upon the payment of US$ 2 million to BHP Billiton.

In 2001, Corriente signed a Global Exploration Alliance Agreement (Alliance) with BHP Billiton. To date under this agreement, the company has only done an initial field review of the Mumbwa copper-gold prospect in Zambia, in 2002. Management determined that the review results did not meet the desired parameters for continued exploration interest by Corriente, and the project was subsequently returned to BHP Billiton. No exploration work outside of Ecuador was done in 2003. To keep the Alliance agreement in good standing, Corriente has agreed to allocate US$ 500,000 in exploration funds for future planned Alliance joint venture expenditures.

The company's executive office is located in Vancouver, Canada. With the exception of short-term operational requirements for the subsidiaries, funds have been maintained and controlled in Vancouver, both in Canadian and U.S. dollars. In addition to its core staff, the company engages consultants as necessary, to provide geological and other services. Overhead costs and efficiencies in Ecuador continue to compare favourably with other South American exploration areas and the political and economic climate is considered by the company to be stable.

Financial Results of Operations

All of the financial information referenced below has been prepared in accordance with Canadian generally accepted accounting principles, applied on a consistent basis.

Financial Data for Last Three Fiscal Years

Fiscal year ended	Dec 31-03	Dec 31-02	Dec 31-01
Total revenues (000's)	$ 0	$ 0	$ 0
(Earnings) loss before extraordinary items (000's)	$ 682	$ 1,245	$ 672
Net (earnings) loss (000's)	$ 682	$ 1,245	$ 672
(Earnings) loss per share	$ 0.02	$ 0.04	$ 0.03
Cash and cash equivalents (000's)	$ 18,688	$ 1,601	$ 440
Total assets (000's)	$ 35,948	$ 16,449	$ 12,916
Total long-term financial liabilities (000's)	$ 0	$ 0	$ 0
Total shareholders' equity (000's)	$ 35,527	$ 16,314	$ 12,781
Cash dividends declared per share	$ 0.00	$ 0.00	$ 0.00

(*Expressed in Canadian dollars unless otherwise noted)

The company's operations during the year ended December 31, 2003 produced a net loss of $682,092 or $0.02 per share compared to a net loss of $1,245,609 or $0.04 per share for 2002 and $671,886 or $0.03 per share for 2001. As the company has not owned any revenue-producing resource properties, no mining revenues have been recorded to date. The significant reduction in net loss from 2002 was primarily due to the proceeds received in 2003 from the sale of the company's Argentinian and Bolivian subsidiaries, which had been written off in prior years. In addition, general exploration expenditures (on properties outside of the Corriente Copper Belt) were reduced to $42,746 for 2003 from $210,188 in 2002 and $94,171 in 2001. Further, these loss reductions were offset by increased stock-compensation expenses of $762,558 for 2003 versus $644,665 and $Nil for 2002 and 2001, respectively, reflecting the fair value of stock options granted during 2003 and 2002 as calculated using the Black-Scholes Option Pricing Model. For 2001, such calculations were not required.

In 2003, the company continued to be successful in identifying significant inferred and indicated resources on three of its four main target areas within the Corriente Copper Belt, with cumulative results in excess of 560 million tonnes of 0.81% copper. In accordance with the terms and the requirements of the BHP Billiton joint venture agreements, and following an independent resource calculation and scoping study completed in early 2003, Corriente successfully applied during 2002 to BHP Billiton to have the Mirador, Panantza and San Carlos projects removed from the existing joint venture and the concessions transferred to Corriente's control. BHP Billiton converted their back-in rights to a 2% net smelter royalty interest, which can be reduced to 1% for certain projects as noted earlier. J. David Lowell maintains a 10% interest in Corriente's interests in the Corriente Copper Belt projects. Deferred exploration expenditures made on various target projects within the Belt totalled $1,327,284 during 2003 versus $1,792,332 for 2002 and $4,187,371 for 2001, reflecting the company's activities in furthering development of these resource properties. Such activities were dependent upon the availability of cash resources and requirements of the BHP Billiton joint venture agreements. During 2003, the Ecuador work program completed drilling on 7 holes totalling 2113 metres of core on the Mirador target as compared to 10 holes totalling 2738 metres for 2002.

Administration expenses increased for 2003 to $965,091 from $685,229 and $675,670 for 2002 and 2001, respectively. The increase in 2003 is primarily due to an increase in management fees to $264,565 (2002 - $70,789; 2001 – $123,846) and investor relations and promotion costs $209,791 (2002 - $100,014; 2001 – $42,875). These increases reflect bonuses paid to Management for 2003, as well as efforts to raise equity capital and enhance the company's investment profile with European investors via the listing of the company's shares on certain German stock exchanges. Legal and accounting costs decreased slightly to $91,625 from (2002 - $95,696; 2001 - $104,178), and reflect ongoing legal and accounting requirements.

During the year, the company recovered a total of $882,261 on mineral properties and related assets which had been previously written off, compared to $185,964 and $Nil for 2002 and 2001, respectively. These proceeds reflect the sale of the company's shares of its wholly-owned subsidiaries, Corriente Argentina Inc. (Cayman) and Corriente Argentina S.A. (Argentina), including its 100% interest in the Taca-Taca property in Argentina during the first quarter of 2003. To date, the company has received $69,740 (US$ 50,000) and 100,000 shares (with a carrying value of $330,000) of the purchaser. Over five years from the date of the agreement, the company is scheduled to receive a total of US$1,125,000 and 300,000 shares of the purchaser. In the event any of the foregoing payments are not made by the purchaser as required, the purchaser is obligated to transfer ownership of the interest back to the company. Additionally, the company's Polymet plant site in Bolivia (previously written off in 1998) was sold during 2003, for which the company has received net proceeds, totalling $482,521, from the purchaser.

Due to the company's significantly improved cash balances, interest income in 2003 increased to $136,738 from $42,276 and $97,072 for 2002 and 2001, respectively.

In October 2003, the company commenced a bankable feasibility study for the Mirador Project and awarded the resource, mining, metallurgy and environmental management of the study to the internationally respected engineering firm of AMEC E&C Services Limited (AMEC) to further assess the economics of a 20,000 tonne per day milling operation. This study will address the geotechnical, infrastructure and financial details of such an operation and will include resource and reserve calculations as well. In order to have this study completed, the company has entered into agreements with other drilling and technical services companies, at a total estimated cost, including associated fieldwork, of approximately $3 million, to be paid from the company's cash resources on hand. This feasibility study also includes a significant drilling campaign which began in 2003 and is designed to provide samples for additional metallurgical test work, confirm resource deposit estimates and provide essential geotechnical data on the Mirador properties. The study is scheduled for completion in mid-2004.

A total of $254,200 (2002 – $154,540; 2001 - $146,260) was paid to a company controlled by the President of the company, who is also a Director, for consulting and management services during the year. These amounts are included in management fees and mineral property costs.

Financial Data for Last Eight Quarters

Three months ended	**Dec-03**	**Sep-03**	**Jun-03**	**Mar-03**	**Dec-02**	**Sep-02**	**Jun-02**	**Mar-02**
Total revenues (000's)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
(Earnings) loss before extraordinary items (000's)	$ 64	$ 453	$ 385	$ (220)	$ 166	$ 161	$ 534	$ 385
Net (earnings) loss (000's)	$ 64	$ 453	$ 385	$ (220)	$ 166	$ 161	$ 534	$ 385
(Earnings) loss per share	$ 0.00	$ 0.01	$ 0.02	$ (0.01)	$ 0.00	$ 0.01	$ 0.02	$ 0.01

As the company has not had any revenue-producing resource properties, no mining revenues have been recorded to date. The significant reduction in net loss for the Dec-03 quarter and the net income generated in the Mar-03 quarter were due to the proceeds received in 2003 from the sale of the company's Argentinian and Bolivian subsidiaries, which had been written off in prior years. Excluding such proceeds, the company's net losses for the last 8 quarters generally reflect the impact and timing of the recording of stock-compensation expenses attributable to the Black Scholes Option Pricing Model calculation of the fair value of stock options granted within the period, offset by interest income earned from cash on hand.

Liquidity and Capital Resources

Working capital as at December 31, 2003 was $18,866,608, compared to $1,555,621 at December 31, 2002 and $380,339 at December 31, 2001. The large increase for 2003 is due to the cash received from the company's 2003 private placements. Also, the company received cash of $552,261 and shares valued at $330,000 for a total of $882,261 from the sales of its Argentine and Bolivian subsidiaries and assets. Historically, the capital requirements of the company have been met by equity subscriptions.

As at December 31, 2003, the company had 41,606,295 (fully diluted – 48,540,141) common shares issued and outstanding versus 30,791,349 (fully diluted – 38,327,643) and 26,412,832 (fully diluted – 29,422,832) for 2002 and 2001, respectively. The increase reflects the success of the company in raising a total of $18,803,133 through the issue of new shares and the exercise of vested options and warrants in 2003, as follows: in February 2003, the company completed a non-brokered private placement of 1,000,000 units, which raised gross proceeds of $1,000,000 equity capital ($993,750 net of issue costs); in October 2003, the Company closed a further non-brokered private placement of 2,000,000 common shares for proceeds of $3.9 million; in November 2003, the company completed a brokered private placement of 4,750,000 units at a price of $2.50 per unit for gross proceeds of $11.875 million before issue costs of $809,381; and during the year, the company received cash proceeds of $2,380,513 and $463,250 pursuant to the exercises of share purchase warrants and stock options, respectively.

Subsequent to December 31, 2003 and up to March 4, 2004, the company received cash proceeds totalling $3,147,262 from the exercise of share purchase warrants and $188,450 from the exercise of stock options. The resultant working capital is considered sufficient to meet the company's administrative overhead for the next several years.

Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activity and foreign exchange fluctuations. Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. The company continues to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

Risk Factors

Companies operating in the mining industry face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the company strives to manage such risks to the extent possible and practical. Following are the risk factors most applicable to the company:

Industry

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible nor practical to proceed. The company closely monitors its activities and those which could impact them, and employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

Although the company has taken steps to verify the title to mineral 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 or transfers and title may be affected by undetected defects.

Metal Prices

The principal activity of the company is the exploration and development of copper-gold resource properties. The feasible development of such properties is highly dependent upon the price of copper and, to a lesser extent, gold. A sustained and substantial decline in commodity copper prices could result in the write-down, termination of exploration and development work or loss of the company's interests in identified resource properties. Although such prices cannot be forecasted with certainty, the company carefully monitors factors which could affect copper commodity prices in order to assess the feasibility of its resource projects.

Political Risk

The resource properties on which the company is actively pursuing its exploration and development activities are all located in Ecuador, South America. While the political climate is considered by the company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the company funds its Ecuador operations on an as-needed basis and is pursuing local joint venture partners. The company does not presently maintain political risk insurance for its foreign exploration projects.

Environmental

Exploration and development projects are subject to the environmental laws and regulations of the country within which the company is conducting its operations. As such laws are subject to change, the company carefully monitors proposed and potential changes, and ensures that it is and will be in strict compliance.

Outlook

Corriente now controls three copper and copper-gold deposits in Ecuador with over 560 million tonnes of inferred and indicated copper-gold resources.

It is the company's intention to continue the work necessary to build and commission a mine on its Mirador property, which will serve as the foundation for the phased development of the entire Corriente Copper Belt in Ecuador.

Further, a total of 10,000 metres of exploration drilling is planned for 2004, with a goal of adding significantly to the company's current resource total within the Corriente Copper Belt.

The company will also continue to regularly review joint venture projects offered under the terms of the Alliance agreement with BHP Billiton. Suitable proposals would be targets at the exploration stage having significant assay results from initial work that merit follow-up drilling.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 4, 2004

The consolidated financial statements of Corriente Resources Inc. have been prepared by management and approved by the Board of Directors. Management of Corriente Resources Inc. is responsible for the preparation, objectivity and integrity of the information contained in these financial statements and other sections of this annual report. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal control through an Audit Committee which is composed of non-management directors. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the consolidated financial statements.

PricewaterhouseCoopers LLP, the company's auditors, have examined these consolidated statements and their report follows.

Kenneth R. Shannon (signed)
President and C.E.O.

Darryl F. Jones (signed)
Chief Financial Officer

AUDITORS' REPORT

February 25, 2004
(except as to note 5 (c) and (d), which are at March 4, 2004)

To the Shareholders of
Corriente Resources Inc.

We have audited the consolidated balance sheets of **Corriente Resources Inc.** as at December 31, 2003 and 2002 and the consolidated statements of loss 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 consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2003 and 2002 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 British Columbia Company Act, we report that, in our opinion, these principles have been applied on a consistent basis.

PricewaterhouseCoopers LLP (signed)
Chartered Accountants, Vancouver, BC

CONSOLIDATED BALANCE SHEETS

	As at December 31	
	2003	**2002**
ASSETS		
Current assets		
Cash and cash equivalents	**$ 18,688,029**	$ 1,601,029
Marketable securities (note 10)	**335,000**	17,000
Accounts receivable and prepaids	**264,918**	72,407
	19,287,947	1,690,436
Mineral properties (note 3)	**16,557,320**	14,680,173
Property, plant and equipment (note 4)	**102,862**	78,443
	$ 35,948,129	$ 16,449,052
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**$ 421,339**	$ 134,815
SHAREHOLDERS' EQUITY		
Share capital (note 5(b))	**79,041,187**	59,548,620
Options (note 5(c))	**1,120,614**	644,665
Share purchase warrants (note 5(d))	**172,927**	501,051
Contributed surplus	**930,660**	676,407
Deficit	**(45,738,598)**	(45,056,506)
	35,526,790	16,314,237
	$ 35,948,129	$ 16,449,052

Nature of operations (note 1)
Commitments (note 11)
Subsequent events (notes 5 and 10)

Approved by the Board of Directors

G. Ross McDonald (signed), Director

Richard P. Clark (signed), Director

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

CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

	For the years ended December 31	
	2003	**2002**
Exploration		
General exploration	**$ 42,746**	$ 210,188
Administration		
Management fees	**264,565**	70,789
Investor relations and promotion	**209,791**	100,014
Wages and benefits	**131,072**	141,598
Legal and accounting	**91,625**	95,696
Rent and utilities	**40,826**	69,835
Travel	**58,321**	48,570
Regulatory fees	**45,758**	17,693
Insurance	**43,889**	41,890
Printing and shareholder information	**31,094**	37,936
Depreciation	**15,034**	17,044
Office and miscellaneous	**12,261**	23,815
Transfer agent fees	**11,386**	9,019
Dues and subscriptions	**6,857**	6,002
Bank charges	**2,612**	5,328
	965,091	685,229
Other		
Recovery on mineral properties previously written off (note 3(b))	**(882,261)**	(185,964)
Stock-based compensation (note 5(c))	**762,558**	644,665
Interest income	**(136,738)**	(42,276)
Gain on sale of marketable investments	**(105,244)**	–
Foreign exchange loss	**35,940**	5,313
Rental income	**–**	(71,546)
	(325,745)	350,192
Loss for the year	**682,092**	1,245,609
Deficit - beginning of year	**45,056,506**	43,810,897
Deficit - end of year	**$ 45,738,598**	$ 45,056,506
Basic and diluted loss per share	**$ 0.02**	$ 0.04
Weighted average number of shares outstanding	**33,666,622**	29,510,264

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31	
	2003	**2002**
Cash flows from (applied to) operating activities		
Loss for the year	**$ (682,092)**	$ (1,245,609)
Items not affecting cash		
Stock-based compensation	**762,558**	644,665
Shares received on mineral properties previously written off	**(330,000)**	–
Gain on sale of marketable securities	**(105,244)**	–
Depreciation	**15,034**	17,044
General exploration	**–**	24,023
	(339,744)	(559,877)
Changes in non-cash working capital		
Accounts receivable and prepaids	**(192,511)**	(14,378)
Accounts payable and accrued liabilities	**286,524**	86
	(245,731)	(574,169)
Cash flows from (applied to) investing activities		
Mineral property costs	**(1,511,358)**	(1,783,565)
Proceeds from sale of marketable securities	**117,244**	–
Payments to acquire property, plant and equipment	**(76,288)**	(10,414)
	(1,470,402)	(1,793,979)
Cash flows from financing activities		
Proceeds from issuance of share capital, net of issue costs	**18,803,133**	3,529,139
Increase (decrease) in cash and cash equivalents	**17,087,000**	1,160,991
Cash and cash equivalents - beginning of year	**1,601,029**	440,038
Cash and cash equivalents - end of year	**$ 18,688,029**	$ 1,601,029

Supplemental cash flow information (note 9)

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

1 Nature of operations

Corriente Resources Inc. and its subsidiaries (collectively, "Corriente" or "the company") are engaged in the exploration of mineral properties primarily in Ecuador, South America. The company considers itself to be an exploration and development stage company.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the company to obtain financing to complete their development and future profitable operations or sale of the properties.

Although the company has taken steps to verify the title to mineral 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 or transfers and title may be affected by undetected defects.

2 Significant accounting policies

Basis of consolidation

For 2002, the consolidated financial statements included the accounts of the company and its wholly-owned subsidiaries, Corriente Resources Inc. (Cayman), Compania de Minerales Especializados S.A. (Bolivia), Sociedad Minera S.A. (Bolivia), Polymet S.A. (Bolivia), Corriente Argentina Inc. (Cayman), Corriente Argentina S.A. (Argentina) and Ecuacorriente S.A. (Ecuador). For 2003, the consolidated financial statements include the accounts of the company and its wholly-owned subsidiaries, Corriente Resources Inc. (Cayman), CTQ Management Inc. and Ecuacorriente S.A. (Ecuador).

Mineral properties

Mineral properties consist of options, concessions, deferred exploration costs and land purchased as buffer zone areas. Amounts recorded for mineral properties and deferred exploration costs include costs incurred to date, and are not intended to reflect present or future values. Share purchase warrants issued in consideration for mineral property interests are recorded at fair value based on the Black-Scholes Model. Option payments or recoveries are treated as a reduction of the carrying value of the related mineral property until the company's costs are recovered. Option payments or sales proceeds received in excess of costs incurred or carrying value are credited to the consolidated statements of loss and deficit.

Expenses incurred on mineral properties which may have the potential of being developed are deferred on a project basis until the viability of the project is determined. The carrying value of properties is subject to review at each reporting period. When a property is sold, abandoned, or deemed not to be economic, all related mineral property and deferred exploration costs are written off. Costs associated with economically viable projects would be amortized on a unit-of-production basis from the commencement of production.

Property, plant and equipment

Amortization of mineral properties will commence upon commercial production. Pre-production costs net of incidental revenues are deferred and will be amortized from the date of commercial production.

Depreciation of furniture and equipment is provided on a declining-balance basis over their estimated useful lives at annual rates between 20% and 30%. Leasehold improvements are depreciated on a straight-line basis over the term of the lease.

General exploration

General exploration expenses, including the cost of evaluating potential projects, are charged to operations as incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash and high quality, highly liquid corporate paper, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Marketable securities

Marketable securities are carried at the lower of cost and quoted market value.

Foreign currency translation

The company's subsidiaries are considered integrated foreign operations and are translated using the temporal method. Monetary items are translated at the exchange rate in effect at the balance sheet date; non-monetary items are translated at historical exchange rates; revenue and expense items are translated at the average rate of exchange for the period. Translation gains and losses are reflected in loss for the year.

Income taxes

Income taxes are calculated using the liability method. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount on the balance sheet are used to calculate future income tax liabilities or assets. Future income tax asset and liabilities are measured using tax rates and laws that are expected to apply when the temporary differences are expected to reverse. Assets are recognized only to the extent it is more likely than not that they will be realized.

Loss per share

Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the year. The effect of potential issuances of shares under options and warrants would be anti-dilutive, and therefore basic and diluted losses per share are the same.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and

(Note 2 continued)
liabilities at the date of the financial statements and revenues and expenses for the period reported. Actual results could differ from those reported.

Stock-based compensation plan

The company has a stock-based compensation plan as described in note 5 (c). Effective January 1, 2002 the company adopted the new accounting standard of the Canadian Institute of Chartered Accountants ("CICA") for accounting for stock-based compensation.

The company has adopted the fair value method of accounting for all stock options granted. Under this method, stock-based compensation on options granted to employees, directors and consultants is recorded as an expense in the period the options are vested, based on the estimated fair value at the measurement date using the Black-Scholes Option Pricing Model.

3 Mineral properties

	Corriente Copper, Ecuador				Argentina	Total
	Mirador	Other	San Carlos	Panantza	Taca-Taca	
Balance December 31, 2001	$ 7,349,232	$ 2,817,205	$ –	$ 2,082,282	$ 1	$ 12,248,720
Option/acquisition payments	383,473	146,998	–	108,650	–	639,121
Deferred exploration	1,075,399	412,236	–	304,697	–	1,792,332
Balance December 31, 2002	8,808,104	3,376,439	–	2,495,629	1	14,680,173
Option/acquisition payments	200,524	329,260	6,931	13,149	–	549,864
Deferred exploration	941,449	298,431	37,480	49,924	–	1,327,284
Sale of property	–	–	–	–	(1)	(1)
Balance December 31, 2003	$ 9,950,077	$ 4,004,130	$ 44,411	$ 2,558,702	$ –	$ 16,557,320

a) Corriente Copper, Ecuador

The company has an option to earn an interest in the Rio Zamora copper porphyry district (Corriente Copper Belt) in Ecuador from BHP Billiton's ("BHP Billiton") Ecuadorian subsidiares in two option agreements and subsequent amending agreements covering separate areas of this district, signed October 15, 1999 ("JV I") and April 6, 2000 ("JV II"), respectively.

All requirements to issue shares and expend exploration funds under the terms of JV I and JV II have been met. Both of the joint venture agreements allow Corriente to complete a scoping study on any project in the district. If the study indicates the resource is below a threshold of 200 million tonnes at a grade of less than 1% copper equivalent, then Corriente (and partner J. David Lowell) can earn a 70% to 100% interest in the project. This process has been completed for three projects and Corriente (90%) and J. David Lowell (10%) now control the Panantza, San Carlos and Mirador prospects in the Corriente Copper Belt.

In a transaction that closed during the last quarter of 2003, Corriente and Lowell were granted a 100% interest in the remaining BHP Billiton concessions in the Ecuador Joint Ventures, subject to a 2% Net Smelter Royalty to BHP Billiton ("NSR"). Corriente has the option to reduce the NSR to 1% upon the payment of US$2 million to BHP Billiton on the Mirador, Panantza and San Carlos deposits.

Corriente continues to regularly review joint venture projects that are offered under the terms of the Global Exploration Alliance ("Alliance") with BHP Billiton that was signed in December, 2001.

To keep the Alliance agreement in good standing, Corriente has agreed to allocate US$500,000 in exploration funds for future planned Alliance joint venture expenditures.

b) Other

The company sold its shares of its wholly-owned subsidiaries, Corriente Argentina Inc. (Cayman) and Corriente Argentina S.A. (Argentina), including its 100% interest in the Taca-Taca property in Argentina during the first quarter of 2003 and has received $69,740 (US$50,000) and 100,000 shares of the purchaser (with a market value of $395,000 at December 31, 2003) to date. Over five years from the date of the agreement, the company is scheduled to receive a total of US$1,125,000 and 300,000 shares of the purchaser.

As collectibility of the remaining consideration proceeds is uncertain, the balance remaining is fully provided for. In the event any of the foregoing payments are not made by the purchaser as required, the purchaser is obligated to transfer ownership of the interest back to the company.

The Polymet plant site in Bolivia (previously written off in 1998) was sold during 2003. The company has received the net proceeds, totalling $482,521, from the purchaser.

4 Property, plant and equipment

	2003			2002		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Office furniture and equipment	**$ 66,848**	**$ 52,285**	**$ 14,563**	$ 66,849	$ 46,673	$ 20,176
Computer equipment	**167,128**	**128,907**	**38,221**	184,240	148,810	35,430
Field equipment	**14,437**	**13,348**	**1,089**	14,437	9,996	4,441
Vehicles	**69,361**	**21,248**	**48,113**	87,078	70,652	16,426
Communications equipment	**4,715**	**3,839**	**876**	4,715	2,745	1,970
	$ 322,489	**$ 219,627**	**$ 102,862**	$ 357,319	$ 278,876	$ 78,443

5 Share capital

a) Authorized

50,000,000 common shares without par value

b) Issued

	2003		2002	
	Number of shares	Amount	Number of shares	Amount
Balance - beginning of year	**30,791,349**	**$ 59,548,620**	26,412,832	$ 55,589,481
Issued during the year				
For cash				
Private placements – net issue of costs	**7,750,000**	**15,959,370**	3,518,517	3,230,339
Exercise of warrants	**2,239,946**	**2,380,513**	–	–
Exercise of options	**575,000**	**463,250**	360,000	298,800
For other consideration				
For mineral properties	**250,000**	**232,500**	500,000	430,000
Fair value of options transferred on exercise (note 5(c))	**–**	**286,608**	–	–
Fair value of warrants transferred on exercise (note 5(d))	**–**	**170,326**	–	–
Balance - end of year	**41,606,295**	**$ 79,041,187**	30,791,349	$ 59,548,620

On March 8, 2002 the company completed a brokered private placement of 2,777,777 units at a price of $0.90 per unit for proceeds of $2,499,999 before issue costs of $94,659. Each unit issued comprised one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $1.00 on or before March 8, 2004. The company paid a cash commission of $175,000 and issued 277,777 agent's warrants entitling the agent to purchase one common share at a price of $0.90 on or before March 8, 2004.

The completion of the above private placement was a condition to the closing of a further $999,999 private placement to Billiton. Under the terms of a subscription agreement made as of December 11, 2001 the company had agreed to issue to Billiton 740,740 units, each consisting of one common share and one common share purchase warrant, with an aggregate purchase price of $999,999. Each common share purchase warrant entitles the holder to purchase one common share at a price of $1.35 on or before May 22, 2004. The funds were placed in escrow for this private placement on March 25, 2002 and subsequently released on shareholder approval at the company's annual general meeting on May 22, 2002.

On February 7, 2003 the company completed a non-brokered private placement of 1,000,000 units at a price of $1.00 per unit for proceeds of $1.0 million before issue costs of $6,250. Each unit issued comprised one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at a price of $1.10 on or before February 7, 2005.

(Note 5b continued)
On October 9, 2003, the company completed a non-brokered private placement of 2,000,000 common shares at a price of $1.95 per share for proceeds of $3.9 million.

On November 5, 2003, the company completed a brokered private placement of 4,750,000 units at a price of $2.50 per unit for proceeds of $11.875 million before issue costs of $809,381. Each unit issued comprised one common share and one-quarter of one common share purchase warrant. Each whole share purchase warrant will be exercisable at a price of $3.00 for a period of 18 months, subject to the right of the company to accelerate the expiry of the warrants if the company's common shares trade above $4.00 for twenty consecutive trading days, in any period after March 8, 2004.

c) Stock options

The company has a stock option plan whereby the company may grant options to its directors, officers, employees and consultants of up to 4,946,366 common shares (increased during 2003 to 6,524,830, subject to shareholder approval). The exercise price of each option is determined in accordance with the company's stock option plan. The option term and vesting period is determined by the Board of Directors, within regulatory guidelines.

	2003		**2002**	
	Number of shares	**Weighted average exercise price $**	**Number of shares**	**Weighted average exercise price $**
Options outstanding - beginning of year	**2,490,000**	**1.65**	1,760,000	1.98
Granted	**1,530,000**	**0.98**	1,235,000	0.85
Exercised	**(575,000)**	**0.81**	(360,000)	0.83
Terminated	**(150,000)**	**1.95**	–	–
Expired	**(1,105,000)**	**2.50**	(145,000)	0.84
Options outstanding and exercisable - end of year	**2,190,000**	**0.96**	2,490,000	1.65

During the year ended December 31, 2003 the company has recorded the fair value of the 1,530,000 (2002 - 1,235,000) options granted as stock-based compensation expense of $762,558 (2002 - $644,665). This fair value is estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Risk-free interest rate	3.05 – 3.78%
Expected dividend yield	–
Expected stock price volatility	66 – 81%
Expected option life in years	3

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the company's stock options.

The fair value assigned to the stock options exercised during the year ended December 31, 2003 was credited to share capital.

The following table summarizes information about stock options outstanding and exercisable at December 31, 2003:

Exercise prices $	**Options outstanding and exercisable at December 31, 2003**	**Average remaining contractual life (years)**
1.28	330,000	2.7
1.14	25,000	2.2
1.02	100,000	1.2
0.91	360,000	1.4
0.90	695,000	2.4
0.89	480,000	2.6
0.79	200,000	1.0
	2,190,000	2.1

(Note 5c continued)

In the period January 1 – March 4, 2004 the company: (a) granted 275,000 options at an exercise price of $3.32. The expiry date on these options is February 9, 2007 and they are not exercisable prior to receiving shareholder approval for the current year's amendment of the company's shareholder plan at the upcoming annual general meeting; and (b) received $188,450 from the exercise of 195,000 outstanding options to purchase shares of the company.

d) Share purchase warrants

		Number of warrants	Exercise price $	Expiry dates	Assigned Fair Value
Balance - December 31, 2001		1,250,000			$ 1,002,245
	Expired	(250,000)	3.20	April 20, 2002	(483,634)
	Expired	(250,000)	0.80	November 22, 2002	(192,773)
	Issued	2,777,777	1.00	March 8, 2004	–
	Issued	277,777	0.90	March 8, 2004	–
	Issued	740,740	1.35	May 22, 2004	–
	Issued	250,000	0.80	May 29, 2004	98,741
	Issued	250,000	0.80	November 29, 2004	76,472
		3,796,294			(501,194)
Balance - December 31, 2002		5,046,294			501,051
	Issued	1,000,000	1.10	February 7, 2005	–
	Issued	250,000	0.80	May 29, 2005	96,455
	Issued	1,187,498	3.00		–
	Exercised	(250,000)	0.80		(98,741)
	Exercised	(250,000)	0.80		(71,585)
	Exercised	(812,289)	1.00		–
	Exercised	(186,917)	0.90		–
	Exercised	(740,740)	1.35	May 22, 2004	–
	Expired	(250,000)	0.80	April 20, 2003	(60,472)
	Expired	(250,000)	0.80	May 29, 2003	(193,781)
		(302,448)			(328,124)
Balance - December 31, 2003		**4,743,846**			$ **172,927**

Share purchase warrants issued as consideration for mineral property option payments were assigned a value of $96,455 based on the Black-Scholes Model with the following assumptions:

Risk-free interest rate	3.17%
Expected dividend yield	–
Expected stock price volatility	68%
Expected warrant life in years	2

The fair value assigned to the share purchase warrants exercised during the years ended December 31, 2002 and 2003 was credited to share capital. The fair value assigned to the share purchase warrants that expired during the years ended December 31, 2002 and 2003 was credited to contributed surplus.

Exercise prices $	Warrants outstanding and exercisable at December 31, 2003	Average remaining contractual life (years)
3.00	1,187,498	1.4
1.10	1,000,000	1.1
1.00	1,965,488	0.2
0.90	90,860	0.2
0.80	250,000	0.9
0.80	250,000	1.4
	4,743,846	0.8

In the period January 1 – March 4, 2004 the company received proceeds of $3,147,262 from the exercise of 3,056,348 outstanding warrants to purchase shares of the company.

6 Related party transactions and balances

A total of $254,200 (2002 – $154,540) was paid to a company controlled by the President of the company, who is also a Director, for consulting and management services during the year. These amounts are included in management fees and mineral property costs.

Fees totalling $Nil (2002 – $2,520) were paid to a Director for project management and general exploration during the year. These amounts are included in management fees and mineral property costs.

7 Income taxes

The reconciliation of income taxes attributable to continuing operations computed at statutory rates to the income tax expense/(recovery) is as follows:

	2003	2002
	37.62%	39.62%
Income tax benefit computed at Canadian statutory rates	**$ (256,603)**	$ (493,510)
Foreign tax rates different from statutory rate	**(77,824)**	179,176
Unrecognized tax losses	**426,030**	293,222
Temporary differences (recognized) not recognized in the year	**(92,835)**	20,013
Non-deductible differences	**1,232**	1,099
	$ –	$ –

The significant components of the company's future income tax assets are as follows:

	2003	2002
Future income tax assets		
Net tax losses carried forward	**$ 1,632,789**	$ 1,414,195
Resource pools	**3,341,539**	3,707,707
Temporary differences on capital assets	**63,850**	65,064
	5,038,178	5,186,966
Valuation allowance	**(5,038,178)**	(5,186,966)
	$ –	$ –

At December 31, 2003, the company has Canadian losses for tax purposes of approximately $4,583,000 which expire on various dates to 2010 and other Canadian resource tax pools in the aggregate of $10,303,000 which are without expiry.

8 Segmented information

The company operates within a single operating segment, which is mineral exploration. The company's mineral property interests are primarily in South America, as set out in note 3. Geographic segmentation of property, plant and equipment and mineral properties is as follows:

	2003		2002	
	Property, plant and equipment	Mineral properties	Property, plant and equipment	Mineral properties
Canada	**$ 38,257**	**$ –**	$ 46,672	$ –
Argentina	**–**	**–**	–	1
Ecuador	**64,606**	**16,557,320**	31,771	14,680,172
	$ 102,863	**$ 16,557,320**	$ 78,443	$ 14,680,173

9 Supplemental cash flow information

During the year ended December 31, 2003, the company received interest earned on cash and short-term investments of $90,733 (2002 - $29,496).

Cash and cash equivalents at December 31 comprise the following:

	2003	2002
Cash on hand and balances with banks	**$ 184,094**	$ 192,858
Short-term investments	**18,503,935**	1,408,171
	$18,688,029	$1,601,029

During the years ended December 31, 2003 and 2002, the company conducted non-cash operating, investing and financing activities as follows:

	2003	2002
Non-cash operating activities		
General exploration settled with property, plant and equipment	**$ –**	$ 24,023
Non-cash investing activities		
Mineral properties - non-cash deferred exploration	**(25,019)**	(42,675)
Mineral properties - non-cash acquisition payments	**(328,955)**	(605,213)
Marketable securities received from sale of subsidiary company	**330,000**	–
Depreciation allocated to mineral property exploration	**25,019**	42,675
Property, plant & equipment to settle general exploration costs	**–**	(24,023)
	1,045	(629,236)
Non-cash financing activities		
Shares issued for mineral property acquisition costs	**232,500**	430,000
Share purchase warrants issued for mineral property acquisition costs	**96,455**	175,213
Marketable securities received from sale of subsidiary company	**(330,000)**	–
	(1,405)	605,213
	$ –	$ –

10 Financial instruments

The company does not use any derivative financial instruments. At December 31, 2003 the carrying value of cash and cash equivalents, short-term investments, accounts receivable and prepaids, accounts payable and accrued liabilities approximate their fair values based on the short-term nature of the instruments.

As of December 31, 2003 marketable securities held by the company, carried at a cost of $335,000, had a quoted market value of $407,000. After December 31, 2003, the majority of these marketable securities (carrying value of $330,000) were sold for total proceeds of $529,323.

11 Commitments

The company leases office space under an agreement expiring in February 2004 for an obligation of $79,204 per annum. In February 2004, the company entered into an agreement extending its lease to February 2009 for an obligation of $60,892 per annum.

CORPORATE & STOCK INFORMATION

Corriente Resources Inc. common stock is quoted on the Toronto Stock Exchange under the symbol CTQ.

Period: January 2003 - December 2003

Low: $0.80 Cdn.

High: $3.73 Cdn.

Share Information

(as of December 31, 2003)

Shares Issued:	41,606,295
Shares Fully Diluted:	48,540,141

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Subsidiary Companies' Offices

Quito, Ecuador

Grand Cayman Islands, B.W.I.

CORRIENTE
RESOURCES INC.

ANNUAL GENERAL MEETING

The annual general meeting of shareholders will be held at 10:00 a.m., Monday, May 10th, 2004 in the Garry Oak Boardroom, Bull, Housser & Tupper, 30th Floor, Royal Centre, 1055 West Georgia Street, Vancouver.

Directors and Officers

Richard P. Clark
Director

Leonard Harris
Director

Anthony F. Holler
Director

G. Ross McDonald
Director

Kenneth R. Shannon
President, C.E.O. and Director

Dan Carriere
Senior Vice President

Ron S. Simkus
Senior Vice President, Mining

Darryl F. Jones
C.F.O. and Corporate Secretary

Legal Counsel

Bull, Housser & Tupper
Vancouver, Canada

Gowling Lafleur Henderson LLP
Vancouver, Canada

Auditors

PricewaterhouseCoopers LLP
Vancouver, Canada

Transfer Agent

Computershare Trust Company of Canada
Vancouver and Toronto

Investor and Shareholder Information

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