U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: MARCH 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number: 0-30489

YAAK RIVER RESOURCES, INC.
(Exact name of small business issuer as specified in its charter)

COLORADO	84-1097796
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

2501 EAST THIRD STREET, CASPER, WYOMING 82609
(Address of principal executive offices)

(307) 235-0012
(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES _X_ No ___

As of April 30, 2000, 59,666,000 shares of common stock, par value $0.0001 per share, were outstanding.

Transitional Small Business Disclosure Format: Yes___ NO _X_

This Form 10-QSB consists of 16 pages. Exhibits are indexed at page 6.

PART I -- FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Please see pages F-1 through F-7.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS.

PLAN OF OPERATIONS

The Company's plan of operations has two aspects. Management intends to pursue both of those aspects on a concurrent basis until such time as it appears that the Company has a strong prospect of carrying one of the aspects to a successful conclusion.

First, management intends to seek out and pursue a business combination with one or more existing private business enterprises that may wish to take advantage of the Company's status as a public corporation. At this time, management does not intend to target any particular industry but, rather, intends to judge any opportunity on its individual merits.

Second, management intends to seek opportunities to develop the Company's unimproved real estate holdings in Teller County, Colorado. See "Company Properties," below. Both the risks and the potential rewards of this real-estate-development possibility are substantial. See "Summary Description of Possible Plan of Operations for the Company's Properties," below.

Management is unable at this time to predict which of the two aspects of its current business plan will prove to be the more attractive one as events unfold. A full assessment of the needs and the potentials of the real-estate-development possibility, in particular, has not yet been made. Management intends to begin to make such an assessment in the near future.

COMPANY PROPERTIES

In 1999, a real-estate development business opportunity in Teller County, Colorado, was brought to management's attention. The nucleus of the opportunity consisted of the availability of 91 unimproved lots zoned for residential development. The lots comprise a total of approximately 4.7 acres of land. They are located in the scenic Pike's Peak region approximately six miles by road from the historic mining town of Cripple Creek, Colorado, and approximately 40 miles by highway from the Colorado Springs metropolitan area.

The Company acquired the lots on September 25, 1999, from Donald J. Smith of Casper, Wyoming. Mr. Smith was elected to be a Director of the Company at the Company's 1999 Annual Meeting of Shareholders held on December 18, and was then appointed by the Board of Directors to serve as President of the Company. In connection with the purchase, the Company's board of directors deemed the lots to have a total fair market value of $162,000. The purchase price was paid in the form of approximately 23,000,000 treasury shares of the Company's common stock. See Note 2 of Notes to Financial Statements.

As stated above, the Company's board of director's determined that the lots had a fair market value, at the time of their acquisition by the Company, of $162,000. The lots were acquired, however, from a person who, as a result of the acquisition, became an affiliate of the Company. In such a transaction, generally accepted accounting principles require that the lots be carried on the Company's balance sheet not at their market value or at their cost to the Company but, rather, at their historical cost to the affiliate. The affiliate/seller, Donald J. Smith, paid a total of $35,743 for the lots in 1992. Accordingly, the asset value of the lots is carried on the Company's balance sheet at that lower, historical figure. See Note 2 of Notes to Financial Statements.

SUMMARY DESCRIPTION OF POSSIBLE PLAN OF OPERATIONS FOR THE COMPANY'S PROPERTIES

A. Economic Concept.

The economic theory that underlies the real-estate-development aspect of the Company's business plan has three bases.

The primary basis of the plan is found in the local economy of Cripple Creek, Colorado. In 1991, limited-stakes gaming became legal in three historical mining communities in Colorado. Cripple Creek is one of the three. Subsequent to the legalization of limited-stakes gaming, Cripple Creek has developed an active casino business. This activity has created a demand for residential housing, particularly among casino workers but also among service workers in businesses, such as the food and beverage businesses, that are supported by the casino trade. Management believes that the supply of existing housing to meet this demand is very limited.

Two additional economic bases for the real-estate-development aspect of the Company's business plan are of lesser significance, but deserve nevertheless to be identified. The first of these lies in the ongoing geographical expansion of the Colorado Springs residential base.

The second additional basis lies in the local, regional, national, and worldwide demand for second homes and vacation homes in areas having attractive natural or historical settings. Management believes that the sources of this demand include (i) the strength of the U.S. economy, (ii) new concentrations of wealth created by the success of the U.S. stock markets in general, and by the phenomenon of tech-company stock options and the like, (iii) substantial inter-generational wealth transfers to the so-called baby-boomer generation, (iv) relatively low interest rates, and (v) availability of the mortgage-interest deduction. Management believes that the historical and natural attractions of the Pike's Peak region, together with reasonable proximity to the business and transportation hub of Colorado Springs, form a base from which this demand can be exploited.

B. Alternative Approaches to Development of the New Properties

Management is in the early stages of evaluating the tack it intends to take to exploit the Company's properties. Critical issues as to financing, staffing, identification of development partners or builders, and the like, have not advanced beyond the discussion stage. As a result, management's intentions with respect to the properties can be described only in outline form. It is more likely than not that those intentions will undergo considerable change in the near term.

Subject to those limitations, management currently believes that possible business strategies include the following:

1. The Company could contract with, or enter into a joint venture with, a development firm to develop the entire package of lots.

2. The Company could market the lots directly to consumers through local, regional, or national promotions.

3. The Company could "gin up" to be its own prime contractor.

4. Instead of trying to develop the properties as a whole, the Company could act as a custom builder or a spec. builder for individual lots, one by one.

Development might consist of stand-alone residences, multi-unit housing, or mobile-home parks.

C. Financial Requirements of the Alternatives Listed in B, above

The Company's properties are in an unimproved state. The greatest initial cost associated with any of the options listed above, therefore, would be that of installing streets and utilities. Management estimates that the cost of such basic improvements would be in the range of $4 million to $5 million. The Company's properties lie many miles by mountain highway from the nearest sources of building materials and equipment. As a result, the cost of transportation would be a significant component of the overall cost of basic improvements. Management believes that this cost is among the factors that have inhibited other developers from attempting to satisfy the sizeable, unmet demand for housing that became obvious in Cripple Creek beginning in 1991.

Aside from capital required to meet the costs of basic improvements, substantial capital would be required to implement most of the alternatives listed in B, above. The Company does not currently have sources for such capital, and there is no certainty that such sources will become available in the future.

Management has held preliminary discussions with possible conventional and venture-capital lenders. In those discussions, the lenders have expressed a preference to offer financing only with respect to the most desirable of the lots contained in the new properties, and have insisted that the Company subordinate its interest in the properties in favor of project financing. In such circumstances, a failure of the project would result in foreclosure on the project financing, and a consequent loss by the Company of its interest in the properties. Management does not believe a risk of this magnitude to be appropriate for a public corporation and, therefore, determined not to consider such subordination. The Company's unwillingness to subordinate its interest in the properties to providers of project financing will limit the Company's ability to obtain capital to develop the properties.

D. Other Special Business Risks Associated with the Company's Plan of Operations

In addition to the financial risks described in C, above, the real-estate-development aspect of the Company's business plan outlined in this section entails a high degree of business risk. Among the risk factors are:

1. Interest rate increases, which are likely to have a negative impact upon:

    a. the availability of purchase financing to potential buyers of improved or unimproved properties of the Company; and

    b. the availability of project financing to the Company or its contractors.

2. Changes in tax laws that might result, for example, in a loss or diminution of the mortgage-interest deduction.

3. A downturn in the local or general U.S. economies, thus depressing demand for developed or unimproved properties.

4. Competition from other development projects, both local and regional.

PART II -- OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

EXHIBITS

Exhibit No.	Description	Location
27	Financial Date Schedule	

YAAK RIVER RESOURCES, INC.
(A Development Stage Company)

FINANCIAL STATEMENTS

March 31, 2000
(Unaudited)

YAAK RIVER RESOURCES, INC.
(A Development Stage Company)
Statements of Operations
(Unaudited)

	March 31, 1999	December 31, 1999
ASSETS		
CURRENT ASSETS:		
Cash	$ 20,990	$ -
Investment - Properties	35,743	35,743
Total current assets	56,733	35,743
OTHER ASSETS		
Organizational Costs - Net of Amortization	-	-
Total Other Assets	-	-
TOTAL ASSETS	$ 56,733	35,743
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	$ 2,000	$ 2,000
Advance from (YRML) Purchase, 1.5 Units	-	-
Shareholder Loans	22,000	22,000
Total current liabilities	24,000	24,000
STOCKHOLDERS' EQUITY		
Series A Common Stock, par value $.0001 per share; 250,000,000 Shares, Issued and outstanding - 59,666,000 and 56,666,000 respectively	5,966	5,666
Series B Common Stock, par value $.0001 per share; Authorized 250,000,000 Shares, Issued and outstanding, None	-	-
Capital paid in excess of par value	325,363	304,663
Deficit accumulated during the development stage	(298,596)	(298,586)
TOTAL STOCKHOLDERS' EQUITY	32,733	11,743
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 56,733	$ 35,743

Yaak River Resources, Inc.
(A Development Stage Company)
STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Month Period Ended March 31, 2000	For the Year Ended December 31, 1999	June 10, 1988 (Inception) thru March 31, 2000
REVENUE	$ -	$ -	$ -
EXPENSES			
Amortization	-	-	1,500
Bank Charge	10	56	545
Legal & Accounting	-	5,562	58,904
Director Fees	-	-	800
Office Expense	-	382	7,843
Stock Fees & Other Costs	-	65	10,072
Administration/Consulting	-	9,139	124,990
Mining Assessments & Fees	-	-	75,479
Bad Debt	-	-	6,250
Rent/Telephone	-	-	12,213
Total Expenses	10	15,204	298,596
NET LOSS ACCUMULATED DURING THE DEVELOPMENT STAGE	$ (10)	$ (15,204)	$ (298,596)
* - NET LOSS PER COMMON SHARE IS LESS THAN $.002	$ *	$ *	
Weighted average number of Common shares outstanding	59,666,000	56,666,000	

Yaak River Resources, Inc.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Month Period Ended March 31, 2000	For the Year Ended December 31, 1999	June 10, 1988 (Inception) to December 31, 1999
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Loss Accumulated During The Development Stage	$ (10)	$ (15,204)	$ (298,596)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization and Depreciation	-	-	1,500
Organization Costs	-	-	(1,500)
(Decrease) Increase in Accounts Payable	-	(104,772)	2,000
Decrease(Increase) in Accounts Receivable	-	-	-
(Decrease) Increase in Loans to Shareholder	-	(7,406)	22,000

Net cash flows used in operating activities	(10)	(127,382)	(274,596)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exchange of properties - net	-	147,167	147,167
Investment Purchase	-	-	(305,410)
Net cash used in investing activities	-	147,167	(158,243)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of common stock	21,000	-	22,800
Loan from LP Investors	-	(20,000)	-
Proceeds from Long-Term Debt	-	-	167,500
Payment of Long-Term Debt	-	-	(45,000)
Proceeds from Sale of Stock	-	-	308,529
Net cash flows provided by financing activities	21,000	(20,000)	453,829
Net Increase (Decrease) in cash	20,990	(215)	20,990
Cash at beginning of period	-	215	-
Cash at end of period	$ 20,990	$ -	$ 20,990
Supplemental Disclosure of Cash Flow Information:			
Cash paid during the period For interest	$ -	$ -	$ -
Cash paid during the period For income taxes	$ -	$ -	$ -

Noncash Investing and financing activities:

In 1999, the Company exchanged properties with a book value of $182,910 to a related party in payment of liabilities of $147,167 and land with book value of $35,743.

Yaak River Resources, Inc.
(A Development Stage Company)
Statement of Stockholders' Equity
(Unaudited)

	# of Shares	Common Stock	Capital Paid In Excess of Par Value	Deficit Accum. During the Development Stage	Totals
June 10, 1988 (Inception)	-	$ -	$ -	$ -	$ -
Issuance of common Stock: January 6, 1989 (for services)	10,000,000	1,000	500	-	1,500
January 6, 1989) (for cash)	5,000,000	500	-	-	500
November 27, 1989 (Public offering)	2,266,000	266	12,353	-	12,619
Net Loss	-	-	-	(3,765)	(3,765)
Balance- December 31, 1989	17,666,000	1,766	12,853	(3,765)	10,854
Net Loss	-	-	-	(10,129)	(10,129)
Balance- December 31, 1990	17,666,000	1,766	12,853	(13,894)	725
Net Loss	-	-	-	(300)	(300)
Balance- December 31, 1991	17,666,000	1,766	12,853	(14,194)	425
Issuance of common Stock: January 10, 1992 (for assets YRML)	30,000,000	3,000	134,910	-	137,910
Net Loss	-	-	-	(47,589)	(47,589)
Balance- December 31, 1992	47,666,000	4,766	147,763	(61,783)	90,746
Issuance of common Stock: June 30, 1993 (for cash)	6,000,000	600	149,400	-	150,000
June 30, 1993 (for services)	3,000,000	300	-	-	300
Net Loss	-	-	-	(54,951)	(54,951)
Balance- December 31, 1993	56,666,000	5,666	297,163	(116,734)	186,095
Net Loss	-	-	-	(26,293)	(26,293)
Balance- December 31, 1994	56,666,000	5,666	297,163	(143,027)	159,802
Net Loss	-	-	-	(17,764)	(17,764)
Balance- December 31, 1995	56,666,000	5,666	297,163	(160,791)	142,038
Net Loss	-	-	7,500	(19,842)	(12,342)

Balance- December 31, 1996	56,666,000	5,666	304,663	(180,633)	129,696
Net Loss	-	-	-	(24,037)	(24,037)
Balance- December 31, 1997	56,666,000	5,666	304,663	(204,670)	105,659
Net Loss	-	-	-	(78,712)	(78,712)
Balance- December 31, 1998	56,666,000	5,666	304,663	(283,382)	26,947
Net Loss	-	-	-	(15,204)	(15,204)
Balance - December 31, 1999	56,666,000	5,666	304,663	(298,586)	11,743)
Issuance of common Stock for cash: June 30, 1993	3,000,000	300	20,700	-	21,000
Net loss for three month period	-	-	-	(10)	(10)
Balance - March 31, 2000	59,666,000	$5,966	$325,363	$(298,596)	$32,733

YAAK RIVER RESOURCES, INC.
(A Development Stage Company)
Notes to Financial Statements
March 31, 2000

Note 1 - Organization and Summary of Significant Accounting Policies:

Organization:

On June 10, 1988, Yaak River Resources, Inc. (the Company) was incorporated under the laws of Colorado under the name of Andraplex Corporation. The name was changed at the annual shareholder's meeting on January 10, 1992. The Company's primary purpose is to engage in selected acquisitions and development of mineral and mining properties.

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Development Stage Company

The Company has not earned significant revenue from planned principal operations. Accordingly, the Company's activities have been accounted for as those of a "Development Stage Enterprise" as set forth in Financial Accounting Standards Board Statement No. 7 ("SFAS 7"). Among the disclosures required by SFAS 7 are that the Company's financial statements be identified as those of a development stage company, and that the statements of operation, stockholders' equity (deficit) and cash flows disclose activity since the date of the Company's inception.

The Company's fiscal year end is December 31.

Initial Public Offering:

In the Company's initial public offering, which was closed on November 27, 1989, the Company sold 2,580,000 units (the Units). 86,000 additional shares were issued to the underwriters. Each Unit consisted of one (1) share of Series A Common Stock, one (1) A Warrant exercisable at $.05, one (1) B Warrant exercisable at $.10.

Costs, consisting of $9,444 and 86,000 shares of Series A Common Stock, incurred to complete the registration were offset against the gross proceeds.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Corporation considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Purchase of Properties:

On January 10, 1992, at the Annual Meeting of Shareholders, the shareholders voted unanimously to purchase certain mineral and mining properties (the Properties) located in the State of Montana, including leases, drawings, engineering studies and other tangible and intangible assets associated with the Properties. The seller of the Properties was Yaak River Mines, Ltd. They received 30,000,000 shares of Series A Common Stock. The issuance of the 30,000,000 shares of Series A Common Stock was exempt from registration under the exemption provided in Section 4(2) of the Securities Act of 1933, as amended.

The Company is the beneficiary of 16,000,000 of the above shares which are being held in the Con Tolman Memorial Trust C. 8,000,000 additional shares of the Company were placed in the trust as part of the original purchase of the Company.

On November 20, 1999, the Company voted to close the Con Tolman Memorial Trust and exchange 23,168,000 shares for 92 building lots in Victor, Colorado. The remaining 832,000 shares were transferred to Yaak River Resources, Nevada in lieu of payment of shareholder loans.

Note 3 - Yaak River Resources Timber Division, Limited Partnership:

On August 14, 1992, the Company formed a limited partnership, Yaak River Resources Timber Division L.P. (the Partnership), a Colorado limited partnership, with subscriptions for 40 Units at $5,000 per Unit for an aggregate price of $200,000. Each Unit contains 1/40th interest in the Partnership and 150,000 shares of Series A Common Stock of the Company. The Company is the general Partner of the Partnership. As a part of the formation of the Partnership, the Company agreed to reserve 6,000,000 shares of its Series A Common Stock for the Partnership. Said 6,000,000 shares of Series A Common Stock represents the shares offered in the Units issued by the Partnership. The Partnership was formed for the purpose of developing certain available natural resources on properties under the management of the Company.

On June 30, 1993, the Company sold Six Million (6,000,000) shares of its $0.0001 par value Series Common Stock for the issuance to the purchasers of the Limited Partnership interests in the Yaak River Resources, Timber Division L.P., for $150,000.

On November 20, 1999, the Company voted to terminate the Partnership and asset interests be distributed prorata to each partner.

Note 4 - Net (Loss) Per Common Share:

The net (loss) per common share of the Series A Common Stock is computed Based on the weighted average number of shares outstanding.

YAAK RIVER RESOURCES, INC.
(A Development Stage Company)
Notes to Financial Statements
March 31, 2000

Note 5 - Income Taxes:

The Company has made no provision for U.S. federal, state, or foreign income taxes for any period because the Company has incurred losses in all periods and for all jurisdictions.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of deferred tax assets are as follows:

Deferred tax assets	
Net operating loss carryforwards	$298,596
Valuation allowance for deferred tax assets	(298,596)
Net deferred tax assets	$ -

Realization of deferred tax assets is dependent upon future earnings, if any, the timing and amount of which are uncertain. Accordingly, the net deferred tax assets have been fully offset by a valuation allowance. As of March 31, 2000, the Company had net operating loss carryforwards of approximately $298,596 for federal income tax purposes. These carryforwards, if not utilized to offset taxable income begin to expire in 2004. Utilization of the net operating loss may be subject to substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code and similar state provisions. The annual limitation could result in the expiration of the net operating loss before utilization.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 12, 2000

YAAK RIVER RESOURCES, INC.

By: /s/ Donald J. Smith

Donald J. Smith, President (Principal Executive Officer)

By: /s/ James K. Sandison

James K. Sandison, Secretary and Treasurer (Principal Financial Officer and Principal Accounting Officer)

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 12, 2000

YAAK RIVER RESOURCES, INC.

By: /s/ Donald J. Smith

Donald J. Smith, President (Principal Executive Officer)

By: /s/ James K. Sandison

James K. Sandison, Secretary and Treasurer (Principal Financial Officer and Principal Accounting Officer)

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET AND STATEMENTS OF LOSS AND ACCUMULATED DEFICIT AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH 10QSB FOR THE QUARTER ENDED MARCH 31, 2000.

YEAR
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MAR-31-2000
20990
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