

Form 51-102F1

Management's Discussion and Analysis of Financial Position and Results of Operations

Q1 - March 31st, 2005

General

The following information, prepared as of May 22, 2005 should be read in conjunction with the unaudited consolidated financial statements of Odin Mining and Exploration Ltd. (the "Company") for the three months ended March 31, 2005, as well as the audited consolidated financial statements for the year ended December 31, 2004 and the related management's discussion and analysis (the "Annual MD&A"). All amounts are expressed in US dollars unless otherwise indicated.

Forward-Looking Information

This quarterly management discussion and analysis ("Quarterly MD&A") contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. If used in this document, the words "anticipate", "believe", "estimate", "expect", and similar expressions, relate to the Company or its management, are statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Important factors are identified in this Annual MD&A.

Description of Business, Operations and Financial Condition

The Company's business is to investigate exploration opportunities, and to carry out early-stage mineral exploration on properties identified by management as having discovery potential with primary focus in South America. If such early stage exploration is fruitful, the Company will then decide at what stage in project development to seek joint venture partners to fund further exploration and add partners' expertise.

Currently, the Company's exploration activities are concentrated on two projects in Ecuador, South America. These are both located in the south of the country and have been held on a care and maintenance basis since Odin ceased field activities at the end of 1997.

During 2004 Odin initiated fieldwork on the Los Planes prospect in the Plateado area in southeast Ecuador and finalized its title applications over this and nearby concessions. The Company also holds title over the Shamataka and Las Orquideas prospects in the north of the

Plateado area and over the totally separate, Cangrejos concession block in southwest Ecuador. Odin only committed sufficient funds to these latter two areas in 2004 to prepare a NI 43-101 report on the Cangrejos block and to support a brief reconnaissance visit to Las Orquideas.

During the first quarter of 2005 the Company did not carry out fieldwork on any of its Ecuadorian properties and the Company's management has decided no such action is appropriate at this stage but remains positive on the potential of its Ecuadorian interest. Consequently, during March Odin met its obligations for annual maintenance fees of approximately US\$60,000 due on its existing concessions in Ecuador. The concessions covered by these payments are summarized in the following table.

Project Area	Concessions Held	Area (ha)
Plateado South	7	7,015
Plateado North	7	19,845
Cangrejos	11	7,799
TOTALS	25	34,659

SOUTH PLATEADO

The cost of the fieldwork at Los Planes came to approximately US\$ 100,000 out of a maximum amount authorized of US\$ 250,000. The balance of the authorize amount is being carried over into 2005. The fieldwork carried out in 2004 located anomalous Au and As soil values on nearly all lines in the two gridded areas. However, the anomalous values are difficult to correlate between lines, and soil creep in the steep terrain has almost certainly complicated the situation. The exposed veins found to date are low grade, rather variable in thickness and lacking in lateral continuity. The associated alteration tends to be weak, sporadically developed and of low tenure. While the exposures so far seen do not themselves constitute a significant body of mineralization, they may represent leakage from something more substantial at depth. Drilling, with or without the prior use of geophysics, will be required to test this hypothesis. Prior to reaching that decision point, in-fill soil sampling, geological mapping and rock sampling will be required in the area between the two grids to determine whether the indications of mineralization are confined to the areas already gridded or are continuous from one grid to the other. Conceptually such a programme would cost about US\$150,000. As yet the Board has not committed funds to this work.

NORTH PLATEADO

In the northern part of the Plateado project area, Odin holds mineral title over two porphyry-style Cu-Mo-Au targets at Las Orquideas and Shamataka. No systematic fieldwork was carried out on either of these areas during 2004 because of uncertainties about access and environmental issues resulting from the inclusion of all of the Shamataka target and part of the Las Orquideas target

within the Nangaritza Protected Forest on ground controlled by indigenous peoples. Nevertheless, a brief reconnaissance trip was made to the northwest corner of Las Orquideas in May 2004.

CENTRAL PLATEADO

Odin holds 15 applications covering 50,600 hectares of roadless, inhospitable terrain totally within the Nangaritza Protected Forest in an area controlled by indigenous peoples. The reconnaissance work carried out in the 1990's did not return any significant results from this area. However, no decision has yet been made to continue or drop these applications.

CANGREJOS

This property lies in the western foothills of the Andes of southwest Ecuador 40 km southeast of Machala the capital of El Oro Province and 200 km south of Guayaquil, Ecuador's largest city and most important economic centre. The successful application for four new concessions in the vicinity during 2004 increased the size of the mineral rights package to 7,799 ha.

On June 30, 2004 Odin filed a NI 43-101 report with respect to the original 4,756 ha property. This report was prepared by an independent geological consultant, Mr Michael Potter, MSc, MBA, MIMMM, MAusIMM, a "qualified person" for the purposes of NI 43-101. The summary of the report is produced below.

"The 4756 ha Cangrejos property of Odin Mining in south-western Ecuador is considered to be highly prospective for porphyry-type Au-Cu mineralization related to Miocene age intrusives.

From 1994 to 2001 the property was part of a larger exploration project, the El Joven Joint Venture, formed between Odin (40%) and Newmont Overseas Exploration Limited (60%). The objective of the joint venture was to locate the hard-rock source of the alluvial gold produced by Odin from the Biron mine (69 000 oz Au recovered). Newmont, who had acted as operator, withdrew from the joint venture in 2001 and transferred the concessions described here to Odin.

The Cangrejos prospect covers parts of a large Au-Cu porphyry system located by the El Joven Joint Venture. Newmont tested the mineralization on Odin's ground with thirteen diamond drill holes. Seven of these holes returned intersections greater than 70 m at a 0.5 g/t Au cut-off. The best hole gave 192 m at 1.6 g/t Au (plus 0.2% Cu).

The gold and copper mineralization is associated with 1-2 % sulphides (usually chalcopyrite), pervasive hydrothermal alteration (most notably silica flooding), brecciation and minor multi-directional quartz veinlets in an area of structural intersections and intrusive andesites within a Miocene quartz-diorite.

The mineralization within the drilled area when combined with what may be found under other anomalies on the property, especially that at Dos Bocas, may be sufficient to support a large-scale (5-15Mt/y), multi-pit, open-cut mining and milling operation.

A programme of check soil sampling and geological mapping followed by 20 scout diamond drill holes totalling 5000 metres is proposed to test the potential of the geochemical anomalies away from the area already drilled. One rig would be expected to complete the drilling in about 5 months. However, the total work programme could take 10 months and cost about CND\$ 2.0 million (US\$ 1.6 million).

Odin still awaits a successful outcome to the long term negotiations with a number of adjacent mineral rights holders to enlarge the area under Odin's control before endorsing the exploration programme recommended in the NI 43-101 report. However, there can be no guarantee that such a satisfactory outcome will be achieved.

OTHER AREAS

During the first quarter of 2005, Odin continued to review three exploration opportunities, one each in North America, South America and Africa. The opportunities in Africa and North America were rejected during the quarter. However, a decision on the South American opportunity is still pending.

General Financial Information

During the three months ended March 31, 2005, the Company reported a net loss of \$42,283 (\$0.00 per share) compared to a net loss of \$293,040 (\$0.00 per share) reported in the three months ended March 31, 2004. The major components of the losses are:

	2005	2004
Operating expenses	\$ 42,283	56,067
Claim costs	-	52,865
Stock-based non cash stock option expense	-	<u>184,108</u>
Total	<u>\$ 42,283</u>	<u>293,040</u>

The claim costs reported in the first quarter of 2004 had subsequently been capitalized as deferred charges in the annual financial statements for 2004. No stock-based compensation has been granted during the first quarter of 2005.

The decrease in operating expenses from 2004 to 2005 is attributable to a decrease in professional fees. No directors' and consulting fees have been recorded or accrued during the three months period ended March 31, 2005. The Company will recognize such expenses in the subsequent period once the directors of the Company have approved such for 2005.

Capital Expenditures and Investing Activities

Deferred exploration expenditures for the first three months of 2005 were \$83,648.

Selected Annual Information

Years	2004	2003	2002
Total revenues	\$nil	\$nil	\$nil
Net (loss)	(\$396,100)	(\$341,899)	(\$153,125)
Net (loss) per share (Basic and fully diluted) ⁽¹⁾	(\$0.01)	(\$0.01)	(\$0.00)
Total Assets	\$1,129,254	\$1,319,299	\$1,479,227

⁽¹⁾ The basic and fully diluted calculations result in the same values due to the anti-dilutive effect of outstanding stock options and warrants.

Summary of Quarterly Results (unaudited)

Three months ended	March 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	March 31, 2004	Dec. 31, 2003	Sept. 30, 2003	June 30, 2003
Total revenues	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil	\$nil
Net income/ (loss)	(\$42,283)	\$197,873 ⁽¹⁾	(\$33,326)	(\$267,607) ⁽²⁾	(\$293,040) ⁽²⁾	(\$185,541) ⁽²⁾	(\$25,407)	(\$66,578)
Net (loss) per share (Basic and fully diluted)	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.00)	(\$0.002)

- (1) The net income reported was attributable to the retroactive capitalization of the deferred charges which had been charged to expense during the first three quarters.
- (2) The exceptional high net loss reported was attributable to the retroactive recognition of the stock-based compensation expense in accordance to the new accounting standard for stock-based compensation.
- (3) Quarterly results may vary significantly due to the variability in the amounts spent on claim costs in each quarter. The claims costs are affected by management's determination of the exploration programs to be pursued following the results obtained from programs completed, the availability of prospective properties and the availability of funding to pursue the programs.

Financing Activities

During the three months ended March 31, 2005 and to current date, the Company did not raise any funds from the issue of securities.

Liquidity and Capital Resources

The Company's aggregate operating, investing and financing activities during the three months ended March 31, 2005 consumed cash of \$140,440. As at March 31, 2005, the Company has cash and cash equivalents of \$609,699 and working capital of \$583,895.

Management of the Company has planned activities for the coming year with respect to its preliminary exploration programs, budgeted on funds available. Should these plans change, and unexpected budget overruns take place, the Company may be required to seek additional funds from the issue of equity or from other sources. There is no assurance that these funds will be available to the Company.

Liquidity

The Company has no history of profitable operations and its mineral projects are at an early stage. Therefore, the Company is subject to many risks common to comparable companies, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues.

The consolidated financial statements for the first quarter ended March 31, 2005 have been prepared on the basis of accounting principles applicable to a going concern. This assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has incurred operating costs in the last fiscal year and has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to further explore its mineral property projects and to cover the overhead costs necessary to maintain a public company.

The Company's ability to continue as a going concern in the long term is dependent upon its ability to obtain financing whether by the issuance of share capital or through joint ventures or from the disposition of its mineral interests. The Company has no certainty of this or that the terms of such financing will be favourable.

Contractual Obligations

The Company's business is subject to various option and/or lease agreements in connection with the acquisition and exploration of mineral interests. These agreements generally require the Company to make periodic payments over a varying number of years to maintain its interests. The Company can cancel these agreements at any time without completing the remaining payments and without penalty.

The Company's interests in its Cangrejos concessions in Ecuador are held subject to annual concession payments aggregating approximately US\$9,500 for each of 2005 and 2006, US\$19,000 for each year 2007 through 2009, US\$38,000 for each year 2010 through 2012 and US\$76,000 for each year thereafter.

Transactions with Related Parties

The Company paid \$6,473 to management, officers, directors and a company controlled by an officer of the Company in the first quarter ended March 31, 2005. This amount represents management fees.

The Company receives a contribution towards its lease commitments equivalent to 20% of all lease costs and telephone charges from related parties, as well as direct costs. These amounts have amounted to \$1,365 recovered during the first quarter of 2005.

Transactions with related parties are described in note 5 to the consolidated interim financial statements for the three months ended March 31, 2005.

Financial Instruments

The Company's financial instruments consist of highly liquid investments held in the form of high quality commercial paper, the investment terms of which are less than three months.

The Company is exposed to currency exchange rate risks to the extent of its foreign activities in Ecuador. The Company does not hedge its exposure to fluctuations in the related exchange rates.

Outstanding Share Data

Authorized Capital:

200,000,000 Common shares, no par value

Issued and outstanding:

34,833,149 common shares as at March 31, 2005 for a net consideration of \$8,512,139.

Outstanding options, warrants, and convertible securities as at March 31, 2005:

<i>Type of Security</i>	<i>Number</i>	<i>Exercise Price</i>	<i>Expiry date</i>
Options	2,075,000	\$0.19	September 18, 2008
Options	400,000	\$0.35	October 31, 2008
Options	200,000	\$0.25	March 25, 2009

Other Information

Starting from the 2004 fiscal year, the Company's income tax compliance reporting to the Canada Revenue Agency will be prepared and reported to the Canada Revenue Agency by management internally. The Company had engaged its independent auditors, PricewaterhouseCoopers to report on this function in 2003 and prior years.

Additional information related to the Company, including the Company's Annual Information Form, is available for viewing on SEDAR at www.sedar.com and on the Company's website of www.odinmining.com

ODIN MINING AND EXPLORATION LTD.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2005
UNAUDITED – PREPARED BY MANAGEMENT

**ODIN MINING AND EXPLORATION LTD.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2005**

Responsibility for financial statements

The accompany interim consolidated financial statements for Odin Mining and Exploration Ltd. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the annual December 31, 2004 audited financial statement. Only changes in accounting information have been disclosed in these interim consolidated financial statements. These interim statements have been presented on the accrual basis of accounting. Therefore estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the interim financial statements, management is satisfied that these interim consolidated financial statements have been fairly presented.

Auditor involvement

The auditors of PricewaterhouseCoopers have not performed a review of the unaudited interim consolidated financial statements for the three months ended March 31, 2005 and March 31, 2004.

(signed) Stephen W. C. Stow
Director

ODIN MINING AND EXPLORATION LTD.
Consolidated Balance Sheet
(Unaudited)
(Expressed in U.S. dollars)

	March 31, 2005	December 31, 2004
	\$	\$
ASSETS		
CURRENT		
Cash and short term deposits	609,699	750,139
Accounts receivable	23,223	20,436
Prepays & deposits	<u>18,763</u>	<u>20,374</u>
	651,685	790,949
EQUIPMENT (Note 3)	23,193	23,956
MINERAL PROPERTIES	<u>397,997</u>	<u>314,349</u>
	<u><u>1,072,875</u></u>	<u><u>1,129,254</u></u>
LIABILITIES		
TRADE PAYABLES AND ACCRUED LIABILITIES	59,088	73,184
MINORITY INTEREST	<u>8,702</u>	<u>8,702</u>
	<u>67,790</u>	<u>81,886</u>
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 4)	8,512,139	8,512,139
CONTRIBUTED SURPLUS	14,925,098	14,925,098
DEFICIT	<u>(22,432,152)</u>	<u>(22,389,869)</u>
	<u>1,005,085</u>	<u>1,047,368</u>
	<u><u>1,072,875</u></u>	<u><u>1,129,254</u></u>

Approved by the Board

(signed) Stephen W.C. Stow Director (signed) Levi Giesbrecht Director

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

ODIN MINING AND EXPLORATION LTD.
Consolidated Statements of Operations and Deficit
(Unaudited)
(Expressed in U.S. dollars)

	Three-months period ended	
	March 31,	
	2005	2004
	\$	\$
OPERATING EXPENSES		
Amortization	763	-
Claims costs	-	52,865
Foreign exchange difference	8,081	-
General and administration	2,220	14,355
Geological expenses	1,454	-
Insurance	1,611	-
Investor relations	3,262	1,887
Management fees	6,108	5,642
Occupancy costs	5,651	4,280
Professional fees	6,800	15,932
Stock-based compensation	-	184,108
Travel	1,623	10,700
Wages & benefits	8,995	9,023
TOTAL Operating expenses	46,568	298,792
OPERATING LOSS	(46,568)	(298,792)
Interest income	4,285	5,752
NET LOSS – CURRENT YEAR	(42,283)	(293,040)
DEFICIT - BEGINNING OF YEAR	<u>(22,389,869)</u>	<u>(22,138,915)</u>
DEFICIT - END OF YEAR	<u>(22,432,152)</u>	<u>(22,431,955)</u>
Basic and diluted loss per share (note 2)	(0.00)	(0.01)
Weighted average number of shares outstanding	34,833,149	34,833,149

THE ATTACHED NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

ODIN MINING AND EXPLORATION LTD.
Consolidated Statement of Cash Flows
(Unaudited)
(Expressed in U.S. dollars)

	Three-months period ended	
	March 31,	
	2005	2004
	\$	\$
OPERATING ACTIVITIES:		
Loss for the year	(42,283)	(293,040)
Less: Items not affecting funds	-	-
Stock-based compensation	-	184,108
Amortization	763	88
	<u>(41,520)</u>	<u>(108,844)</u>
FUNDS PROVIDED/ (USED IN) WORKING CAPITAL		
Accounts receivable	(2,787)	71
Prepaid & deposits	1,611	-
Trade payables and accrued liabilities	(14,096)	(23,010)
FUNDS PROVIDED/ (USED IN) OPERATING ACTIVITIES	<u>(56,792)</u>	<u>(131,783)</u>
INVESTING ACTIVITIES:		
Mineral properties	(83,648)	-
FUNDS PROVIDED/ (USED IN) INVESTING ACTIVITIES	<u>(83,648)</u>	<u>-</u>
NET CHANGES IN CASH FLOW POSITION	<u>(140,440)</u>	<u>(131,783)</u>
CHANGES IN CASH FLOWS REPRESENTED BY		
Cash & equivalents, beginning of year	750,139	1,276,621
Cash & equivalents, end of year	<u>609,699</u>	<u>1,144,838</u>
DECREASE IN CASH POSITION	<u>(140,440)</u>	<u>(131,783)</u>

THE ATTACHED NOTES ARE AN INTERGRAL PART OF THESE FINANCIAL STATEMENTS

ODIN MINING AND EXPLORATION LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2005
(Expressed in U.S. dollars)

1. OPERATIONS

The company was incorporated under the Company Act of British Columbia on March 22, 1988.

The company is focused on the business of exploration and development of mineral properties in South America, currently only in Ecuador, where it holds mineral rights in two areas; Cangrejos which also encompasses Las Orquideas and Los Planes, and El Plateado. The rights, which have a 30 years lifetime, have been held since 1996 and are renewable annually on March 31.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements include the accounts of Odin and its wholly and partially owned subsidiaries. All inter-company transactions and balances have been eliminated on consolidation.

Foreign currency translation

All accounts are reported in United States dollars. The assets and liabilities of companies not reporting in U.S. dollars are translated using the temporal method as follows:

- a) monetary items are translated at the exchange rate prevailing at each balance sheet date;
- b) non-monetary items are translated at historical exchange rates; and
- c) revenue and expense items are translated at the average rate of exchange for the year, except for amortization which is translated at historical rates.

Any exchange gains or losses are charged to the consolidated statements of operations and deficit during the year.

Mineral properties and deferred exploration costs

Mineral properties include acquisition costs and option payments for mineral concessions. Mineral properties and deferred exploration costs are recorded at cost and deferred until production commences or the property is sold or abandoned or conditions for impairment are identified.

ODIN MINING AND EXPLORATION LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2005
(Expressed in U.S. dollars)

Mineral properties and deferred exploration costs, continued

A property is abandoned when all claims related to the property have expired or management has determined that the property is not economically viable. When a property is abandoned or sold, all deferred costs related the property are charged to the consolidated statements of operations and deficit during the year. Management regularly assess the carrying value of mineral properties and if impairment is evident, the property value is written down to estimated fair value.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year of 34,833,149 (2004 34,833,149).

Financial instruments

The company does not use any derivative financial instruments. The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are reasonable estimates of fair values at the balance sheet dates.

Use of estimates

The preparation of these consolidated financial statements in conformity with generally accepted accounting principles in Canada requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term deposits maturing within 90 days of the original date of acquisition.

Equipment

Equipment is recorded at cost and depreciated over its estimated useful life.

ODIN MINING AND EXPLORATION LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2005
(Expressed in U.S. dollars)

Stock-based compensation

The company has no formal stock-based compensation plan. Options are granted periodically by the directors. Starting January 1, 2004, the company has chosen the retroactive application of the new requirements in the CICA Handbook Section 3870, Stock-Based Compensation and Other Stock-Based Payments, according to which the fair value based method is applied to awards granted, modified or settled. Under this method, compensation expense for stock options granted is measured at fair value at the grant date, using the Black-Scholes valuation model. The expense is recognized over the vesting periods of the respective options, and recognized over the vesting period of the options granted. See note 5b) and 5c).

Income tax

Future income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is included in operations in the period that includes the enactment date. A future income tax asset is recorded when the probability of the realization is more likely than not.

3. EQUIPMENT

The company has computer equipment with a cost of \$30,644, accumulated amortization of \$7,451 and a net book value of \$23,193.

4. CAPITAL STOCK

a) Common shares

Authorized

At March 31, 2005, the company's authorized capital consisted of 200,000,000 common shares without par value

	No. of shares	Amount
Issued		
On March 31, 2005 & December 31, 2004	<u>34,833,149</u>	<u>\$ 8,512,139</u>

ODIN MINING AND EXPLORATION LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
March 31, 2005
(Expressed in U.S. dollars)

b) Share options plan

The company does not have a formal share option plan, but it is the policy of the Director's to grant options exceeding 10% of the issued shares provided that the number of options outstanding at any time does not exceed 10% of the outstanding shares in issue from time to time. The exercise price is determined at the closing price on the day of grant. No options have been granted or exercised during the current interim period.

c) Share options granted

Exercise price	No. of outstanding and exercisable at March 31, 2005	Remaining contract life in years	Weighted average exercise price
\$ 0.16	2,075,000	3 ½	\$ 0.19
\$ 0.29	400,000	3 ½	\$ 0.35
\$ 0.21	<u>200,000</u>	4	\$ 0.25
	<u><u>2,675,000</u></u>		

5. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2005, the following transactions occurred with related parties:

- a) Documentation storage fee of \$366 was paid to a company which has one common director with the company and included in occupancy cost.
- b) Management fees of \$6,107 were paid to Zen Capital, which is a private company controlled by a director of the company.
- c) Telephone and rent recovery of \$1,365 were received from a company in which a director was the sole shareholder.

6. SEGMENT INFORMATION

The company has one operating segment, exploration and development of mineral properties. All mineral properties of the company are located in Ecuador.