

**Financial Statements of**

**Maple Minerals Corp.  
(unaudited)**

**March 31, 2004**

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**Contents**

**Financial Statements**

<b>Balance Sheets</b>	<b>2</b>
<b>Statements of Operations and Deficit</b>	<b>3</b>
<b>Statements of Cash Flows</b>	<b>4</b>
<b>Statements of Mineral Property Costs</b>	<b>5 - 6</b>
<b>Notes to Financial Statements</b>	<b>8 - 9</b>

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**MAPLE MINERALS CORP.****Balance Sheets**As at March 31, 2004 and September 30, 2003

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	March 31, <u>2004</u> (Unaudited)	September 30, <u>2003</u> (Audited)
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 2,854,355	\$ 691
Sundry receivables	5,555	-
Marketable securities	<u>1</u>	<u>1</u>
	2,859,911	692
<b>Mineral properties and related expenditures</b>	<u>462,814</u>	211,887
	<u>\$ 3,322,725</u>	<u>\$ 212,579</u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 47,877	\$ 7,787
Deposits	50,000	-
Advances from affiliated company	<u>-</u>	<u>186,440</u>
	<u>97,877</u>	<u>194,227</u>
<b>Shareholders' equity</b>		
Capital stock (Note 4)	12,817,796	9,511,723
Contributed surplus	41,126	6,900
Deficit	<u>(9,634,074)</u>	<u>(9,500,271)</u>
	<u>3,224,848</u>	<u>18,352</u>
	<u>\$ 3,322,725</u>	<u>\$ 212,579</u>

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See accompanying notes to the financial statements.

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**MAPLE MINERALS CORP.**  
**Statements of Operations and Deficit**  
**For the Three and Six Months Ended March 31,**  
**(Unaudited)**

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	<u>Three Months Ended</u> <u>March 31,</u>		<u>Six Months Ended</u> <u>March 31,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Revenue</b>				
Interest income	<u>\$ 4,473</u>	<u>\$ -</u>	<u>\$ 6,023</u>	<u>\$ -</u>
<b>Expenses</b>				
Operating, general and administrative	60,998	17,018	99,600	20,595
Stock-based compensation (note 2)	31,373	-	40,226	-
Write-Off of mineral properties and related expenditures	-	-	-	4,758
	<u>92,371</u>	<u>17,018</u>	<u>139,826</u>	<u>25,353</u>
<b>Net loss for the period</b>	<u>\$ (87,898)</u>	<u>\$ (17,018)</u>	<u>\$ (133,803)</u>	<u>\$ (25,353)</u>
<b>Deficit, beginning of period</b>	<u>(9,546,176)</u>	<u>(9,001,550)</u>	<u>(9,500,271)</u>	<u>(8,993,215)</u>
<b>Deficit, end of period</b>	<u><u>(9,634,074)</u></u>	<u><u>(9,018,568)</u></u>	<u><u>(9,634,074)</u></u>	<u><u>(9,018,568)</u></u>
<b>Loss per common share</b>				
Basic and diluted	<u><u>\$ (0.009)</u></u>	<u><u>\$ (0.003)</u></u>	<u><u>(0.015)</u></u>	<u><u>\$ (0.004)</u></u>
<b>Weighted average number of common shares outstanding</b>				
Basic	10,112,030	6,014,264	9,097,386	6,014,264
Diluted	10,756,896	6,815,000	9,534,428	6,815,000

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See accompanying notes to the financial statements.

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**MAPLE MINERALS CORP.****Statements of Cash Flows****For the three and six months ended March 31,  
(Unaudited)**

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	<u>Three Months Ended March 31,</u>		<u>Six Months Ended March 31,</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>				
Net loss	\$ (87,898)	\$ (17,018)	\$ (133,803)	\$ (25,353)
Non-cash transactions:				
Write down of mineral properties and related expenditures	-	-	-	4,758
Stock-based compensation	31,373	-	40,226	-
Changes in non-cash working capital balances				
Sundry receivables	(5,555)	-	(5,555)	-
Accounts payable and accrued liabilities	38,215	(854)	40,090	1,021
Deposits	50,000	-	50,000	-
	<u>26,135</u>	<u>(17,872)</u>	<u>(9,042)</u>	<u>(19,574)</u>
<b>Cash flows from investing activities</b>				
Expenditures on mineral properties and related exploration	<u>(241,602)</u>	<u>(14,174)</u>	<u>(250,927)</u>	<u>(8,174)</u>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of share capital	2,430,993	-	3,306,073	-
Adjustment from exercise of stock options	-	-	(6,000)	-
Net advances from affiliated companies	-	27,408	(186,440)	28,293
	<u>2,430,993</u>	<u>27,408</u>	<u>3,113,633</u>	<u>28,293</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>2,215,526</b>	<b>\$ (4,638)</b>	<b>\$ 2,853,664</b>	<b>\$ 545</b>
<b>Cash and cash equivalents, beginning of period</b>	<u>638,829</u>	<u>6,247</u>	<u>691</u>	<u>1,064</u>
<b>Cash and cash equivalents, end of period</b>	<b>\$2,854,355</b>	<b>\$ 1,609</b>	<b>\$ 2,854,355</b>	<b>\$ 1,609</b>
<b>Supplemental Cash Flows Information</b>				
Cash paid for interest	-	245	940	1,938

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See accompanying notes to the financial statements.

# MAPLE MINERALS CORP.

## Statements of Mineral Property Costs

For the six months ended March 31, 2004 and the year ended September 30, 2003

(Unaudited)

	Year Ended September 30, 2003	Six Months Ended March 31, 2004		
		Net Expenditures (Recoveries)	Write - off	
<b>ONTARIO, CANADA</b>				
<b>West Procupine Property</b>				
Acquisition	\$ 41,252		\$ 41,252	
Assay	2,900		2,900	
Drilling	21,107		21,107	
Geological and geophysical Advances	1,113	(64)	1,049	
		14,044	14,044	
	66,372	13,980	-	80,352
<b>Eva-Kitto</b>				
Acquisition	10,569		10,569	
	10,569	-	-	10,569
<b>Lac Des Iles (Thunder Bay)</b>				
Acquisition	1		1	
Geological and geophysical	835		835	
	836	-	-	836
<b>Burchell lake Property</b>				
Acquisition	13,482		13,482	
Geological and geophysical	692	875	1,567	
	14,174	875	-	15,049
<b>Clay Lake Property</b>				
Acquisition	3,595		3,595	
	3,595	-	-	3,595
<b>Hamlin Shear Property</b>				
Acquisition	13,000		13,000	
Drilling	1,074	6,500	7,574	
	14,074	6,500	-	20,574
<b>Deaty Property</b>				
Acquisition	7,500	2,500	10,000	
Geological and geophysical	6,000		6,000	
	13,500	2,500	-	16,000

See accompanying notes to the financial statements.

**MAPLE MINERALS CORP.****Statements of Mineral Property Costs (continued)**

For the six months ended March 31, 2004 and the year ended September 30, 2003

(Unaudited)

	Year Ended September 30, 2003	Six Months Ended March 31, 2004		
		Net Expenditures (Recoveries)	Write - off	
<b>Powell Lake Property</b>				
Acquisition	15,000	5,390	20,390	
Geological and geophysical	5,000	741	5,741	
	20,000	6,131	-	26,131
<b>Lang Lake (Thunder Bay)</b>				
Acquisition	22,268		22,268	
Staking		4,542	4,542	
Drilling	111		111	
	22,379	4,542	-	26,921
<b>Joburke Property (Porcupine)</b>				
Acquisition	1		1	
	1	-	-	1
<b>Obadinaw Property</b>				
Staking		9,389	9,389	
	-	9,389	-	9,389
<b>Total Ontario properties</b>	\$ 165,500	\$ 43,917	\$ -	\$ 209,417
<b>QUEBEC, CANADA</b>				
<b>Casa Berardi</b>				
Acquisition	46,387		46,387	
<b>Total Quebec properties</b>	46,387	-	-	46,387
<b>GUINEA (WEST AFRICA)</b>				
Mt. Kakoulima				
Exploration (Joint Venture)		201,660	201,660	
<b>Total Guinea properties</b>	-	201,660	-	201,660
<b>DOMINICAN REPUBLIC</b>				
La Paloma				
Acquisition		5,350	5,350	
<b>Total Dominican Rep properties</b>	-	5,350	-	5,350
<b>Total mineral property costs</b>	\$ 211,887	\$ 250,927	\$ -	\$ 462,814

See accompanying notes to the financial statements.

**Maple Minerals Corp.**  
**Notes to Financial Statements**  
**March 31, 2004**  
**(Unaudited)**

**1. Basis of preparation**

Maple Minerals Corp. ("Maple" or the "Company") is in the process of exploring its mineral properties and has not as yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties is dependent upon: the existence of economically recoverable reserves; the ability of the Company to obtain the necessary financing to complete exploration and development; and future profitable production or proceeds from disposition of such properties.

The Company is traded on the TSX Venture Exchange under the symbol "MPM".

**2. Significant accounting policies**

Management has prepared the financial statements of Maple in accordance with Canadian generally accepted accounting principles for interim financial reporting. Accordingly, they do not include all of the information and notes required by Canadian generally accepted accounting principles for annual financial statements. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, considered necessary for a fair presentation have been included. The following information should be read in conjunction with the annual financial statements and notes as at September 30, 2003. Accounting policies followed in the preparation of the annual financial statements are consistent with those used in the preparation of the March 31, 2004 interim financial statements except for the following:

Stock options:

Effective October 1, 2003, the Company adopted CICA 3870 Stock-based Compensation and Other Stock-based payments awarded to employees, officers, and directors. As permitted by CICA 3870 the Company has applied this change prospectively for new awards granted on or after October 1, 2003. Under this new standard, all stock options granted during the period have been accounted for in accordance with the fair value method of accounting for stock-based compensation and have been expensed. In periods prior to October 1, 2003, the Company recognized no compensation expense when stock or stock options were issued to employees, officers, and directors. The fair value of stock options granted during the period was estimated at the date of granting using a Black-Scholes Option Pricing Model with the following assumptions for the six months ended:

<b>Black-Scholes weighted average assumptions</b>	<b>March 31, 2004</b>	<b>Exercise price</b>	<b>Market price on day of grant</b>
Expected volatility	85%		
Expected dividend	0.00%		
Risk-free interest rate	2.25% - 2.75%		
Expected option life in years	2 – 5 years		
Fair value of stock options granted on July 23/03	\$ 0.06	\$ 0.20	\$ 0.12
Fair value of stock options granted on Nov 10/03	\$ 0.36	\$ 0.60	\$ 0.60

**Maple Minerals Corp.**  
**Notes to Financial Statements**  
**March 31, 2004**  
**(Unaudited)**

**2. Significant accounting policies (continued)**

<b>Black-Scholes weighted average assumptions</b>	<b>March 31, 2004</b>	<b>Exercise price</b>	<b>Market price on day of grant</b>
Fair value of stock options granted on Nov 25/03	\$ 0.35	\$ 0.75	\$ 0.75
Fair value of stock options granted on Jan 20/04	\$ 0.27	\$ 0.65	\$ 0.63
Fair value of stock options granted on Mar 15/04	\$ 0.43	\$ 0.75	\$ 0.66
Fair value of stock options granted on Mar 29/04	\$ 0.44	\$ 0.75	\$ 0.67

The estimated fair value of the options is amortized to expense over the options' vesting periods. During the six months ended March 31, 2004, included in operating, general, and administrative expenses is \$40,226 compensation expense for stock options granted that have been accounted for in accordance with the fair value method of accounting for stock-based compensation using the above assumptions.

**3. Auditors' review**

The financial statements for the six months ended March 31, 2004 have not been reviewed by the Company's auditors.

**4. Significant events**

(a) Related party transaction:

As at September 30, 2003, Brownstone Ventures Inc. ("Brownstone", a reporting issuer and shareholder of the Company) held an equity interest of approximately 49.5% in the Company. During the period, Brownstone subscribed for 600,000 units of Maple at \$0.25 per unit, each unit being comprised of one common share of the Company and one half common share purchase warrant ("Warrant"), each whole Warrant entitling Brownstone to acquire a further common share of the Company at \$0.50 until October 28, 2005. Also, during the period, Brownstone sold 1,665,833 common shares of the Company in the open market, and privately, for proceeds of approximately \$607,000 and received 480,950 common shares for settling all advances of \$192,380 owed from the Company. This subscription, disposal and settlement of advances resulted in Brownstone having an equity interest of approximately 19.97% in the Company.

(b) Share Capital:

- (i) During the period, 400,000 options were exercised at prices ranging from \$0.10 to \$0.20 for proceeds of \$51,700.



**Maple Minerals Corp.**  
**Notes to Financial Statements**  
**March 31, 2004**  
**(Unaudited)**

**4. Significant events (continued)**

- (ii) On October 28, 2003, the Company completed a private placement financing and issued 2,500,000 units at \$0.25 per unit. Each unit was comprised of one common share of the Company and one-half common share purchase warrant, with each whole common share purchase warrant entitling the holder to acquire one common share of the Company at \$0.50 on or before October 28, 2005.
- (iii) On March 15, 2004, the Company completed a private placement financing and issued 601,999 flow-through units at \$0.75 per flow-through unit and 3,474,922 non flow-through units at \$0.65 per non flow-through unit, for total gross proceeds of \$2,710,199. Each flow-through unit consists of one flow-through common share and one-half of one flow-through purchase warrant. One flow-through purchase warrant entitles the holder thereof to purchase one common share (not a flow-through share) at \$1.00 until September 15, 2005. Each non flow-through unit consists of one common share and one-half of one share purchase warrant. One share purchase warrant entitles the holder to purchase one common share at \$0.90 until September 14, 2005. A commission of 8% cash and 366,923 broker's warrants was paid.

The following is a summary of the above-stated capital transactions for the six months ended March 31, 2004:

	Number of shares	Amount
Outstanding, September 30, 2003	6,014,259	\$ 9,511,723
Private placement:		
Non flow-through	5,974,922	2,883,700
Flow-through	601,999	451,499
Issued on the exercise of stock options	400,000	57,700
Issued for settlement of debts	480,950	192,380
Less: Cost of private placement issue		(279,206)
<b>Outstanding, March 31, 2004</b>	<b>13,472,130</b>	<b>\$ 12,817,796</b>

**5. Subsequent Events:**

- As part of the agreement in respect to an option to acquire a 100% interest in the La Paloma Mining Property in Dominican Republic, the company issued on April 23, 2004, 200,000 common shares at a deemed cost of \$0.70 per share and 100,000 purchase warrants. Each warrant entitles the holder to acquire one common share of the Company at \$0.80 for a period of two years. The Company also paid a cash consideration of US\$40,000. Another US\$5,000 will be paid for legal fees and other expenses.
- On April 28, 2004 the Company issued 1,660 common shares upon the exercise of stock options, for proceeds of \$996.