Consolidated Financial Statements of

Maple Minerals Corp.

For the years ended September 30, 2004 and 2003

Contents

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FELDMAN & ASSOCIATES, LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the consolidated balance sheets and statements of mineral property costs of Maple Minerals Corp. as at September 30, 2004 and 2003 and the consolidated statements of operations and deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 September 30, 2004 and 2003 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"Feldman & Associates, LLP"

Toronto, Canada
January 5, 2004

Chartered Accountants

MAPLE MINERALS CORP.
Consolidated Balance Sheets
As at September 30,

	2004	2003
Assets		
Current		
Cash and cash equivalents	**$ 2,243,451**	$ 691
Interest receivable	**23,971**	-
Marketable security (market value - $1; 2003 - $1)	**1**	1
	2,267,423	692
Mineral properties and related expenditures (note 4)	**1,052,564**	211,887
	$ 3,319,987	$ 212,579
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	**$ 24,487**	$ 7,787
Deposits (note 5)	**7,946**	-
Advances from affiliated company (note 6)	**-**	186,440
	32,433	194,227
Shareholders' equity		
Capital stock (note 7)	**12,988,213**	9,511,723
Contributed surplus (note 7(f))	**160,251**	6,900
Deficit	**(9,860,910)**	(9,500,271)
	3,287,554	18,352
	$ 3,319,987	$ 212,579

On behalf of the Board:

"L.M. (Gino) Falzone" Director

"Sheldon Inwentash" Director

See accompanying notes to the consolidated financial statements.

MAPLE MINERALS CORP.
Consolidated Statements of Operations and Deficit
Years ended September 30,

	2004	2003
Revenue		
Interest	$ 29,231	$ -
	29,231	-
Expenses		
Operating, general and administrative (notes 6 and 8)	228,798	$ 36,344
Stock-based compensation expenses (note 7(f))	159,882	-
Write-off of mineral properties and related expenditures	1,190	470,712
	389,870	507,056
Net loss for the year	$ (360,639)	$ (507,056)
Deficit, beginning of year	(9,500,271)	(8,993,215)
Deficit, end of year	$ (9,860,910)	$ (9,500,271)
Loss per common share		
Basic and diluted	$ (0.03)	$ (0.08)
Weighted average number of common shares outstanding		
Basic	11,369,621	6,014,264
Diluted	11,850,114	6,197,563

See accompanying notes to the consolidated financial statements.

MAPLE MINERALS CORP.
Consolidated Statements of Cash Flows
Years ended September 30,

	2004	2003
Cash flows from operating activities		
Net loss for the year	**$ (360,639)**	$ (507,056)
Items not affecting cash		
Stock-based compensation expenses	**159,882**	-
Write down of mineral properties and related expenditures	**1,190**	470,712
	(199,567)	(36,344)
Changes in non-cash working capital balances		
Interest receivable	**(23,971)**	66
Accounts payable and accrued liabilities	**16,700**	-
Deposits	**7,946**	-
	(198,892)	(36,278)
Cash flows from investing activities		
Net expenditures on mineral properties and related exploration	**(841,867)**	(86,713)
	(841,867)	(86,713)
Cash flows from financing activities		
Proceeds pursuant to exercise of stock options	**52,696**	-
Proceeds from issue of capital stock pursuant to private placements, net	**3,084,883**	-
Issue of capital stock for settlement of debt (note 6)	**192,380**	-
Issue of capital stock for mineral property (note 7(a))	**140,000**	-
Advances from affiliated company	**(186,440)**	122,618
	3,283,519	122,618
Increase (decrease) in cash and cash equivalents	**2,242,760**	(373)
Cash and cash equivalents, beginning of year	**691**	1,064
Cash and cash equivalents, end of year	**$ 2,243,451**	$ 691
Supplemental Cash Flows Information		
Cash paid for interest	**$ 940**	$ 6,880

See accompanying notes to the consolidated financial statements.

MAPLE MINERALS CORP.
Consolidated Statements of Mineral Property Costs
Years ended September 30,
(note 4)

	2002	2003			2004		
	Net Book Value	Net Expenditures/ (Recoveries)	Write-off	Net Book Value	Net Expenditures/ (Recoveries)	Write-off	Net Book Value
ONTARIO							
West Procupine Property (note 5)							
Acquisition	$ 39,948	$ 1,303		$ 41,252			**$ 41,252**
Assay		2,900		2,900			**2,900**
Drilling		21,107		21,107			**21,107**
Geological and geophysical		1,113		1,113			**1,113**
	39,948	26,424	-	66,372	**-**	**-**	**66,372**
Eva-Kitto							
Acquisition	16,569	(6,000)		10,569	**13,000**		**23,569**
Geological and geophysical				-	**206**		**206**
General exploration expenses				-	**169**		**169**
	16,569	(6,000)	-	10,569	**13,375**	**-**	**23,944**
Lac Des Iles (Thunder Bay)							
Acquisition	1			1			**1**
Geological and geophysical		835		835			**835**
	1	835	-	836	**-**	**-**	**836**
Burchell Lake Poperty							
Acquisition		13,482		13,482			**13,482**
Geological and geophysical		692		692	**875**		**1,567**
	-	14,174	-	14,174	**875**	**-**	**15,049**
Clay Lake Property							
Acquisition		3,595		3,595			**3,595**
	-	3,595	-	3,595	**-**	**-**	**3,595**
Hamlin Shear Property							
Acquisition		13,000		13,000	**3,146**		**16,146**
Drilling		1,074		1,074	**25,973**		**27,047**
General exploration expenses				-	**5,569**		**5,569**
	-	14,074	-	14,074	**34,688**	**-**	**48,762**
Deaty Property							
Acquisition		7,500		7,500	**2,556**		**10,056**
Geological and geophysical		6,000		6,000			**6,000**
General exploration expenses				-	**75**		**75**
	-	13,500	-	13,500	**2,631**	**-**	**16,131**

See accompanying notes to the consolidated financial statements.

MAPLE MINERALS CORP.

Consolidated Statements of Mineral Property Costs (continued)

Years ended September 30,

(note 4)

	2002	2003			2004		
	Net Book Value	Net Expenditures/ (Recoveries)	Write-off	Net Book Value	Net Expenditures/ (Recoveries)	Write-off	Net Book Value
Lang Lake (Thunder Bay)							
Acquisition	$ 22,268			$ 22,268	**$ 14,073**		**$ 36,341**
Drilling		111		111	**1,125**		**1,236**
General exploration expenses				-	**17,269**		**17,269**
	22,268	111	-	22,379	**32,467**	**-**	**54,846**
Obadinaw Property							
Acquisition				-	**9,389**		**9,389**
General exploration expenses				-	**84**		**84**
	-	-	-	-	**9,473**	**-**	**9,473**
Powell Lake Property							
Acquisition		15,000		15,000	**5,390**		**20,390**
Geological and geophysical		5,000		5,000	**2,417**		**7,417**
General exploration expenses				-	**38**		**38**
	-	20,000	-	20,000	**7,845**	**-**	**27,845**
Joburke Property (Porcupine)							
Acquisition	465,955		(465,954)	1		**-**	**1**
	465,955	-	(465,954)	1	**-**	**-**	**1**
Total Ontario properties	544,741	86,713	(465,954)	165,500	**101,354**	**-**	**266,854**
QUEBEC							
Casa Berardi							
Acquisition	51,145		(4,758)	46,387		**(1,190)**	**45,197**
General exploration expenses				-	**9**		**9**
Total Quebec properties	51,145	-	(4,758)	46,387	**9**	**(1,190)**	**45,206**
GUINEA (WEST AFRICA)							
Mt. Kakoulima Property - (Joint venture)							
Acquisition	-			-	**536,825**		**536,825**
	-	-	-	-	**536,825**	**-**	**536,825**
DOMINICAN REPUBLIC							
La Paloma Property							
Acquisition	-			-	**203,679**		**203,679**
	-	-	-	-	**203,679**	**-**	**203,679**
Total mineral property costs	$ 595,886	$ 86,713	$ (470,712)	$ 211,887	**$ 841,867**	**$ (1,190)**	**$ 1,052,564**

See accompanying notes to the consolidated financial statements.

1. Nature of business:

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 the 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:

(a) Basis of preparation:

These consolidated financial statements include the accounts of Maple and its wholly-owned subsidiary, Maple Resources Inc. Maple Resources Inc. is a private company which was incorporated on December 19, 2003 under the laws of the Province of Ontario. All significant inter-company accounts and transactions are eliminated on consolidation.

(b) Mineral properties and related expenditures:

The cost of mineral properties and their related exploration and development costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the estimated useful life of the properties following the commencement of production. Mineral properties which the Company has no intention to develop and management believes have little or no value, are written down to $1. Mineral properties are written off if the properties are sold, allowed to lapse, or abandoned.

Cost includes the cash consideration and the fair market value of shares issued on the acquisition of mineral properties. Properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The proceeds from options granted are included in the cost of the related property and any excess is applied to income.

(c) Marketable security:

Marketable security is carried at the lower of cost and market value with market value determined on the basis of the closing market price at the fiscal year end.

(d) Stock-based compensation plans:

The Company has stock-based compensation plans which are described in note 7(e). Any consideration received on the exercise of stock options or sale of stock is credited to share capital. The Company records compensation expense and credits contributed surplus for

2. Significant accounting policies (continued):

all stock options granted. Stock options granted during the year are accounted for in accordance with the fair value method of accounting for stock-based compensation. The fair value for these options is estimated at the date of grant using the Black-Scholes option pricing model.

(e) Use of estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results could differ from those estimated.

(f) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the year-end. Non-monetary assets and liabilities denominated in foreign currencies are translated at historical rates. Revenue and expenses denominated in foreign currencies are translated at rates of exchange prevailing at the transaction dates. Gains and losses resulting from translation were included in the determination of net income (loss) for the year.

(g) Earnings per common share:

Earnings per common share ("EPS") have been determined by dividing net income (loss) for the year by the weighted average number of common shares outstanding during the year. Diluted earnings per share assumes outstanding dilutive securities including options and share purchase warrants were exercised at the beginning of the period and the funds derived there from were used to purchase common shares of the Company at the average market price per share during the period. The incremental shares (the difference between the number of shares assumed issued and the number of shares assumed purchased) are included in the denominator of the diluted EPS computation. Anti-diluted shares are not included in the computation.

(h) Income taxes:

The Company follows the liability method of tax allocation in accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income (loss) in the year in which those temporary differences are expected to be recovered or settled.

2. Significant accounting policies (continued):

(i) Financial instruments:

The Company has determined the fair value of its financial instruments as follows:

(i) The carrying values of cash and cash equivalents, interest receivable, accounts payable and accrued liabilities, deposits, and advances from affiliated company approximate their fair values due to the short term to maturity for these instruments.

(ii) Mineral properties and related expenditures and marketable security are carried at amounts in accordance with the Company's accounting policy set out in note 2(b) and 2(c), respectively.

3. Change in accounting policies:

Stock options:

Effective October 1, 2003, the Company adopted CICA 3870 Handbook Section ("CICA 3870"), "Stock-based Compensation and Other Stock-based Payments". Under this new standard, companies are required to account for all stock options granted in accordance with the fair value method of accounting for stock-based compensation after January 1, 2004 and are required to apply this new standard retroactively if they adopt the new standard after January 1, 2004. 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 year are accounted for in accordance with the fair value method of accounting for stock-based compensation and are expensed. The Company records stock-based compensation expense and credits contributed surplus for all awards granted on or after October 1, 2003. Prior to October 1, 2003, the Company recognized no compensation expense when stock options were granted to employees, officers, and directors. Stock options granted to employees, officers, and directors were disclosed in pro forma net income (loss) and earnings (loss) per share.

4. Mineral properties and related expenditures:

The Company enters into exploration agreements with other companies whereby the parties to the agreement may earn an interest in certain mineral properties by issuing common shares and/or making option payments and/or incurring expenditures in varying amounts by varying dates. Failure by a party to meet such requirements in certain circumstances can result in a reduction of ownership interest.

5. Deposits:

During the year, the Company signed a Property Option Agreement with Canadian Golden Dragon Resources Ltd. ("CGDR") and Maestro Ventures Ltd. ("Maestro"), whereby Maestro has the option of acquiring 50% of the West Porcupine Property ("WP Property") from Maple and CGDR, each of which currently has a 50% interest in the WP Property.

Maestro is required to perform and record accepted assessment work on the WP Property as follows:

(a) $50,000 by September 30, 2004;
(b) a further $50,000 by December 31, 2004;
(c) a further $100,000 by March 31, 2005; and
(d) a further $2,300,000 within five years of February 3, 2009.

During the year, Maestro deposited with Maple $50,000 to perform work on the WP Property while Maestro received certain regulatory approvals. As at September 30, 2004, Maple had performed expenditures of $42,054 on the WP Property. Subsequent to September 30, 2004, Maestro deposited an additional $25,000 with Maple to perform work on the WP Property.

6. Advances from affiliated company:

These advances from Brownstone Ventures Inc. ("Brownstone"), a reporting issuer and shareholder of the Company, were interest bearing at Royal Bank Prime plus 1% per annum, due on demand. Included in the consolidated statements of operations is interest expense in the amount of $940 (2003 - $6,880) related to these advances.

As at September 30, 2003, Brownstone held an equity interest of approximately 49.5% in the Company. During the year, 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 year, 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.

7. Capital stock:

Share capital consists of the following:

Authorized: Unlimited number of common shares

Issued and outstanding:

	2004		2003	
	# of Shares	**Amount**	# of Shares	Amount
Balance, beginning of year	**6,014,259**	**$ 9,511,723**	6,014,259	$ 9,511,723
Issued for mineral properties (a)	**200,000**	**140,000**	—	—
Issued for settlement of debt (note 6)	**480,950**	**192,380**	—	—
Issued for cash pursuant to exercise of stock options (b)	**401,660**	**52,696**	—	—
Issued for cash pursuant to private placement offerings, net of share issuance costs (c, d)	**6,576,921**	**3,084,883**	—	—
Adjustment pursuant to exercise of stock options	—	**6,531**	—	—
Balance, end of year	**13,673,790**	**$ 12,988,213**	6,014,259	$ 9,511,723

(a) 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 and $9,071 for legal fees and other expenses.

(b) During the year, 401,660 options under the stock option plans described in note 7(e) were exercised at prices ranging from $0.10 to $0.60 for proceeds of $52,696.

(c) 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.

(d) 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 15, 2005.

7. Capital stock (continued):

A commission of 8% cash and 366,923 broker's warrants was paid for the private placements. Of the 366,923 broker's warrants, 54,180 broker's warrants are exercisable at $0.75 per broker's warrant and 312,743 are exercisable at $0.65 per broker's warrant. Each broker's warrant is exercisable into one Unit. Each 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 15, 2005.

The following table summarizes information about warrants outstanding as at September 30, 2004:

Number of warrants		Exercise price	Expiry Date
300,999		$ 1.00	September 15, 2005
1,737,460		0.90	September 15, 2005
54,180	(1)	0.75	September 15, 2005
312,743	(1)	0.65	September 15, 2005
1,250,000		0.50	October 28, 2005
100,000		0.80	April 19, 2006
3,755,382			

(1) These are the 366,923 broker's warrants as previously described above.

(e) Stock option plans:

The Company has 1998, 2000, 2002, and 2004 stock option plans for directors, officers, key employees and consultants to enable them to purchase common shares of the Company, as administered by the Board of Directors. The Company has also granted options to employees and consultants outside the plans pursuant to securities act provisions.

The number of shares which were authorized to be issued under the plans were 333,333 for each of the 1998 and 2000 plans and 500,000 for the 2002 plan. For the 2004 plan the Company is authorized to issue up to 10% of the outstanding common shares of the Company.

All stock options under the plans have a maximum term of 5 years.

7. Capital stock (continued):

A summary of the status of the Company's four stock option plans as at September 30, 2004 and 2003 and changes during the years ended on those dates is presented below:

	2004		2003	
Stock Options	**# of Shares**	**Weighted average exercise price**	# of Shares	Weighted average exercise price
Outstanding, at beginning of year	**830,000**	**$ 0.13**	815,000	$ 0.12
Granted	**1,335,000**	**0.63**	15,000	0.20
Exercised	**(401,660)**	**(0.13)**	—	—
Forfeited	**(148,340)**	**(0.68)**	—	—
Outstanding, at end of year	**1,615,000**	**$ 0.49**	830,000	$ 0.13
Exercisable, at end of year	**972,429**	**$ 0.40**	815,000	$ 0.12

The following table summarizes information about stock options outstanding as at September 30, 2004:

	Options outstanding			Options exercisable		
Range of exercise prices	**Number of options**	**Weighted average exercise price**	**Weighted average remaining life (years)**	**Number of options**	**Weighted average exercise price**	**Weighted average remaining life (years)**
$0.10 - $0.49	**425,000**	**$ 0.12**	**1.68**	**421,600**	**$ 0.12**	**1.66**
$0.50 - $0.75	**1,190,000**	**0.62**	**2.81**	**550,829**	**0.61**	**2.71**
	1,615,000	**$ 0.49**	**2.51**	**972,429**	**$ 0.40**	**2.26**

Subsequent to September 30, 2004, 50,000 options were exercised at an exercise price of $0.11 for proceeds of $5,500.

(f) Stock options granted:

(i) On November 10, 2003, 5,000 options were granted, exercisable at $0.60 per option and expiring on November 9, 2008 of which 1,660 options were exercised on April 26, 2004 and 3,340 options were terminated on May 12, 2004;

(ii) On November 25, 2003, 300,000 options were granted, exercisable at $0.75 per option and expiring on November 24, 2008;

(iii) On January 20, 2004, 185,000 options were granted, exercisable at $0.65 per option and expiring on January 19, 2006;

7. Capital stock (continued):

(iv) On March 15, 2004, 125,000 options were granted, exercisable at $0.75 per option and expiring on March 14, 2009;

(v) On March 29, 2004, 50,000 options were granted, exercisable at $0.75 per option and expiring on March 28, 2009;

(vi) On June 18, 2004, 140,000 options were granted, exercisable at $0.70 per option and expiring on May 7, 2007 all of which options have been terminated unexercised;

(vii) On September 14, 2004, 250,000 options were granted, exercisable at $0.50 per option and expiring on September 13, 2006;

(viii) On September 23, 2004, 275,000 options were granted, exercisable at $0.50 per option of which 270,000 options expires on September 22, 2006 and 5,000 options expires September 22, 2009;

(ix) On September 27, 2004, 5,000 options were granted, exercisable at $0.50 per option and expiring on September 26, 2009;

These stock options were issued to employees, directors, and consultants and in accordance with CICA 3870, accounted for using the fair value method and expensed over the option's vesting periods in the statements of operations and credited to contributed surplus. In accordance with CICA 3870, the fair value of stock options granted during the year was estimated at the date of the grant using the Black-Scholes Option Pricing Model with the following assumptions:

Black-Scholes weighted average assumptions		Exercise price	Market price on day of grant
Expected volatility	85%		
Expected dividend	0.00%		
Risk-free interest rate	2.25% - 3%		
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
Fair value of stock options granted on Nov 25/03	0.32	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	0.65
Fair value of stock options granted on Sep 14/04	0.23	0.50	0.52
Fair value of stock options granted on Sep 23/04 (i)	0.30	0.50	0.59
Fair value of stock options granted on Sep 27/04 (i)	0.38	0.50	0.60

(i) None of these options have been vested.

7. Capital stock (continued):

For the year ended September 30, 2004, included in the consolidated statement of operations was stock-based compensation expense of $159,882 (2003 – nil) relating to the fair value of stock options granted.

8. Related party transactions:

The Company has consulting agreements with officers and a director totaling approximately $4,000 per month plus GST (2003 - nil). Included in operating, general, and administrative expense was $26,750 (2003 - nil) paid under these contracts.

9. Income taxes:

(a) Income tax expense attributable to income before income taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 36.12% (2003 – 36.62%) pre-tax loss as a result of the following:

		2004		2003
Loss before income taxes	**$**	**(360,639)**	$	(507,056)
Computed "expected" income tax recovery		**(130,263)**		(185,684)
Future tax asset not recognized for resource tax pool carried forward		**70,177**		—
Non-taxable stock based compensation expense		**57,749**		—
Permanent and other differences		**2,337**		185,684
Provision for (recovery of) income taxes	**$**	—	$	—

(b) Significant components of the provision for income taxes are as follows:

		2004		2003
Current tax expense	$	—	$	—
Future income tax recoverable relating to origination and reversal of temporary differences		—		—
Provision for (recovery of) income taxes	$	—	$	—

9. Income taxes (continued):

(c) The tax effects of temporary differences that give rise to significant portions of the future tax assets and future tax liabilities as at September 30, are presented below:

		2004		2003
Future tax assets				
Resource tax pool carried forward	$	**2,659,691**	$	2,486,141
Capital losses carried forward		**22,451**		22,762
Eligible capital deduction carried forward		**25,678**		26,033
Total gross future tax assets		**2,707,820**		2,534,936
Less : valuation allowance		**(2,707,820)**		(2,534,936)
Net future tax assets	**$**	**—**	$	—

(d) At September 30, 2004, the Company had approximately $124,000 of capital losses and approximately $7,363,000 of resource deductions available that have an unlimited carry-forward period to reduce future years' income for tax purposes, the tax effect of which has not been recorded in the accounts.

10. Comparative financial statements:

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the September 30, 2004 financial statements.