

EAGLE PLAINS RESOURCES LTD.
CONSOLIDATED FINANCIAL STATEMENTS

for the three months ended
March 31, 2005

(Unaudited - prepared by management)

EAGLE PLAINS RESOURCES LTD.
CONSOLIDATED BALANCE SHEET
A Development Stage Corporation
(Unaudited - prepared by management)

	Mar 31	Dec 31
	2005	2004
	(unaudited)	(unaudited)
ASSETS		
Current		
Cash and cash equivalents	\$ 4,394,641	\$ 4,313,940
Accounts receivable	642,003	93,829
Mineral Exploration Tax credits recoverable	<u>32,912</u>	<u>32,912</u>
	5,069,556	4,440,681
Long-term investments, at cost (Note 3) (Quoted trading price - \$1,767,580)	1,165,149	647,300
Capital assets, net of accumulated amortization (Note 4)	119,098	118,304
Mineral exploration properties (Note 5)	<u>3,839,494</u>	<u>4,090,012</u>
	<u>\$ 10,193,297</u>	<u>\$ 9,296,297</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 363,192	\$ 192,482
Future income tax	<u>1,675,188</u>	<u>1,675,188</u>
	2,038,380	1,867,670
EQUITY		
Equity instruments 42,407,479 common shares issued - (Note 6) (2004 - 35,842,628 shares issued)	10,817,304	9,796,316
Deficit	<u>(2,662,387)</u>	<u>(2,367,689)</u>
	<u>8,154,917</u>	<u>7,428,627</u>
	<u>\$ 10,193,297</u>	<u>\$ 9,296,297</u>

On behalf of the Board:

"Timothy J. Termuende"
Mr. Timothy J. Termuende (Signed)

"Glen J. Diduck"
Mr. Glen J. Diduck (Signed)

EAGLE PLAINS RESOURCES LTD.
CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT
A Development Stage Corporation
(Unaudited - prepared by management)

	1st Quarter Ended Mar 31		Three Months Ended Mar 31		Year Ended Dec 31	
	2005	2004	2005	2005	2004	2004
Revenue						
Geological Services	\$ 444,514	\$ -	\$ 444,514		\$ 715,138	
Geological expenses						
Services	211,291	-	211,291		525,615	
Amortization	3,795	-	3,795		15,045	
Salaries and subcontractors	131,870	-	131,870		133,791	
	<u>346,956</u>	<u>-</u>	<u>346,956</u>		<u>674,451</u>	
Income before other expenses	<u>97,558</u>	<u>-</u>	<u>97,558</u>		<u>40,687</u>	
Expenses						
Administration costs	109,616	60,544	109,616		167,974	
Trade shows, travel and promotion	134,423	30,507	134,423		227,819	
Stock option compensation expense	304,400	18,069	304,400		475,441	
Public company costs	20,022	17,022	20,022		22,598	
Professional fees	56,721	13,032	56,721		74,671	
Cost of mineral properties abandoned	-	-	-		188,556	
	<u>625,182</u>	<u>139,174</u>	<u>625,182</u>		<u>1,157,059</u>	
Loss before Other Income	<u>(527,624)</u>	<u>(139,174)</u>	<u>(527,624)</u>		<u>(1,116,372)</u>	
Other income						
Interest and other	17,039	206	17,039		44,449	
Gain on sale of long-term investments	215,887	-	215,887		288,646	
	<u>232,926</u>	<u>206</u>	<u>232,926</u>		<u>333,095</u>	
Loss before income tax	<u>(294,698)</u>	<u>(138,968)</u>	<u>(294,698)</u>		<u>(783,277)</u>	
Future income tax	<u>-</u>	<u>-</u>	<u>-</u>		<u>282,000</u>	
Net loss for the period	<u>(294,698)</u>	<u>(138,968)</u>	<u>(294,698)</u>		<u>(501,277)</u>	
DEFICIT, beginning of period	<u>(2,367,689)</u>	<u>(1,866,412)</u>	<u>(2,367,689)</u>		<u>(1,866,412)</u>	
DEFICIT, end of period	<u><u>\$(2,662,387)</u></u>	<u><u>\$(2,005,380)</u></u>	<u><u>\$(2,662,387)</u></u>		<u><u>\$(2,367,689)</u></u>	
Net loss per share	<u>\$ (0.0072)</u>	<u>\$ (0.0050)</u>	<u>\$ (0.0072)</u>		<u>\$ (0.0145)</u>	
Supplementary Information:						
Weighted Average Number of Shares:	40,961,388	27,918,085	40,961,388		34,478,072	

EAGLE PLAINS RESOURCES LTD.
CONSOLIDATED STATEMENT OF CASH FLOW

A Development Stage Corporation

(Unaudited -prepared by management)

	First Quarter Ended Mar 31 2005	First Quarter Mar 31 2004	Year Ended Dec 31 2005	Year Ended Dec 31 2004
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss) for the period	\$ (294,698)	\$ (138,968)	\$ (294,698)	\$ (501,277)
Adjustments for:				
Amortization and depletion of capital assets	11,810	1,344	11,810	15,045
Cost of mineral properties abandoned	-	-	-	188,556
Stock options expensed	304,400	18,069	304,400	475,441
Gain on sale of investments	(215,888)	-	(215,888)	(288,646)
Future income tax	-	-	-	(282,000)
	(194,376)	(119,555)	(194,376)	(392,881)
Changes in non-cash working capital items				
Increase in accounts receivable	(548,174)	(10,077)	(548,174)	(80,325)
Decrease in exploration tax credits recoverable	-	14,426	-	47,800
Increase in accounts payable	170,712	137,247	170,712	155,036
Cash flows from operating activities	(571,838)	22,041	(571,838)	(270,370)
CASH FLOWS FROM FINANCING ACTIVITIES				
Issue of shares for cash, net	521,338	3,604,309	521,338	5,413,380
Issue of shares for mineral properties	195,250	-	195,250	-
Cash flows from financing activities	716,588	3,604,309	716,588	5,413,380
CASH FLOWS FROM INVESTING ACTIVITIES				
Shares received on option agreements	(629,629)	-	(629,629)	-
Proceeds from sale of investments	327,668	-	327,668	371,196
Development of mineral exploration properties	250,516	(276,840)	250,516	(1,852,024)
Purchase of capital assets	(12,604)	(6,422)	(12,604)	(61,060)
Cash flows from investing activities	(64,049)	(283,262)	(64,049)	(1,541,888)
INCREASE IN CASH AND CASH EQUIVALENTS	80,701	3,343,088	80,701	3,601,122
Cash, beginning of period	4,313,940	712,818	4,313,940	712,818
CASH, END OF PERIOD	\$ 4,394,641	\$ 4,055,906	\$ 4,394,641	\$ 4,313,940

March 31, 2005 and 2004

1. Nature of Operations

Eagle Plains Resources Limited (the "Company" or "Eagle Plains") was incorporated on March 30, 1994, pursuant to the Alberta Business Corporation Act (Alberta), and is extra provincially registered in the Yukon, British Columbia and the Northwest Territories. The Company is in the business of exploring for mineral resources and is actively exploring properties located in British Columbia, Yukon and the Northwest Territories.

Recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitability from production or proceeds from the disposition of the properties.

2. Significant Accounting Policies

Management in accordance with Canadian generally accepted accounting principles has prepared the consolidated financial statements of the Company. The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Bootleg Exploration Ltd.

b) Mineral exploration properties

Costs of acquisition, exploration and development of mineral properties are capitalized on an area-of-interest basis. General and administrative costs are either charged to expense in the year incurred or capitalized if they directly relate to exploration. Amortization of these costs will be on a unit-of-production basis, based on estimated proven reserves of minerals of the areas, should such reserves be found. Properties are abandoned either when the lease expires or when management determines that no further work will be performed on the property since it has no value to the Company. When significant properties in an area of interest are abandoned, the costs related thereto are charged to operations on a pro-rata basis to the total costs to date included in the area, in the year of abandonment. The proceeds received from a partial disposition or an option payment is credited against the costs. In addition, if there has been a delay in development activity for several successive years, a write-down of those project-capitalized costs will be charged to operations.

c) Long-term investments

Securities acquired under option agreements are recorded at the "fair value" as determined by management. Fair value is based on market prices for publicly traded shares recognizing the possible effects of price fluctuations, quantities traded and similar items. The fair value may or may not approximate trading prices at the time the agreement is executed. As such, the related capitalized mining expenditures are also reduced by the fair value of the investment received.

March 31, 2005 and 2004

2. Significant Accounting Policies – continued

d) Equipment

Equipment consists of automotive, computers and office and field equipment and is recorded at cost. Amortization is determined using the declining balance basis, over the estimated useful life of the asset at the following rates:

Automotive	- 30 % per annum
Computer	- 30 % per annum
Computer software	- 100% per annum
Furniture and equipment	- 20 % per annum
Leasehold improvement	- 20 % per annum

e) Asset retirement obligations

The Company has adopted the new recommendation of the Canadian Institute of Chartered Accountants ("CICA") relating to accounting for asset retirement obligations. This recommendation replaces the previous method of accounting for site restoration costs on an accrual basis. The Company has adopted the new standard on a retroactive basis in accordance with the CICA recommendations on Accounting Changes. Under the new standard, a liability for the fair value of environmental and site restoration obligations are recorded when the obligations are incurred and the fair value can be reasonably estimated. The obligations are normally incurred at the time the related assets are brought into production. The fair value of the obligations is based on the estimated cash flow required to settle the obligations discounted using the Government of Canada Bond Rate for the applicable term adjusted for the Company's credit rating. The fair value of the obligations is recorded as a liability with the same amount recorded as an increase in capitalized costs. The amounts included in capitalized costs are depleted using the unit-of-production method. The liability is adjusted for accretion expense representing the increase in the fair value of the obligations due to the passage of time. The accretion expense is recorded as an operating expense.

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploratory and development activities funded by flow-through share arrangements are renounced to investors in accordance with tax legislation. Under the liability method of accounting for income taxes, the future income taxes related to the temporary difference arising at the renunciation date are recorded at that time together with a corresponding reduction to the carrying value of the shares issued.

g) Financial instruments

The Company carries various financial instruments. Unless otherwise indicated, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments with maturities of three months or less. At March 31, 2005, the Company held cashable guaranteed investment certificates (GIC's) bearing interest rates from 1.25% to 2.50% with maturity terms of January 5, 2005 to April 29, 2005. All of these GIC's are cashable before maturity and have been treated as cash equivalents.

March 31, 2005 and 2004

2. Significant Accounting Policies – continued

i) Per share amounts

Basic loss per common share is computed by dividing losses by the weighted average number of common shares outstanding for the year. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments.

j) Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, future income tax liabilities and future income tax assets are recorded based on temporary differences – the difference between the carrying amount of an asset and liability in the balance sheet and its tax basis and the carry forward of unused tax pools and unamortized share issue costs. Future income tax assets and liabilities are measured using income tax rates expected to apply on 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 tax rates is included in income in the period that the change is substantially enacted. Future income tax assets are evaluated and if realization is not considered “more likely than not”, a valuation allowance is provided.

k) Stock-based compensation plan

The Company has established a stock option plan under which the Company may grant options to purchase common shares. The Company may grant options to acquire common shares to a maximum of 10% of the common shares outstanding on a non diluted basis. Effective January 1, 2004, the Company adopted the recommendation of the CICA Handbook to record compensation expense when stock or stock options are issued under the plan.

In 2002, the Company had adopted the recommendations of CICA Handbook Section 3870; Stock based compensation and other stock-based payments. This section required that direct awards of stock and liabilities based on the price of common stock be measured at fair value at each reporting date, with the change in fair value reported in the statements of income and encourages, but did not require, the use of the fair value method for all other types of stock-based compensation plans. None of the Company's plans qualify as direct awards of stock or as plans that create liabilities based on the price of the Company's stock, and as a result, the implementation of the section has no impact on the consolidated financial statements.

In the fourth quarter of 2003, the Company adopted the amended recommendation of CICA Handbook section 3870. The Company chose to use the fair value method to account for stock-based employee compensation plans on a prospective basis. The Company records compensation expense for options issued to employees after January 1, 2003. Any consideration paid by employees on the exercise of the options is credited to capital stock.

Compensation expense is also being recorded for options issued to consultants and non-employees over the vesting period for employees and over the same period and in the same manner as if the Company had paid cash for services of non-employees.

l) Mineral tax credit

The Federal and Provincial taxation authorities provide companies with tax incentives for undertaking mineral exploration directives in certain areas. The Company accrued these credits as a reduction of mineral exploration expenditures in the period that the related expenditures were incurred. These accrued credits are subject to review by the relevant authorities and by their nature are subject to measurement uncertainty adjustments. Adjustments if any, resulting from such a review are recorded in the period that the tax filings are amended.

Eagle Plains Resources Limited
(A Development Stage Corporation)
Notes to Consolidated Financial Statements

March 31, 2005 and 2004

2. Significant Accounting Policies – continued

m) Revenue recognition

Revenue associated with the geological services provided by the Company are recognized when services are performed.

n) Joint venture

The Company's exploration and development activities are conducted jointly with others. These consolidated financial statements reflect only the Company's proportionate interest in such activities.

o) Measurement Uncertainty

The amounts recorded for stock-based compensation and fair value for long-term investments are based on estimates. The Black Scholes model is based on estimates of assumptions for expected volatility and risk-free interest rates. The fair value of long-term investments is based on assumptions for possible effects of price fluctuations. The recoverability of amounts shown for mineral properties is dependent on the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties and on future production or proceeds of disposition. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Long-Term Investments

	<u>2005</u>	<u>2004</u>
900,000 (2004 – 600,000) common shares of Northern Continental Resources Inc. (market value - \$459,000 (2004 - \$114,000))	\$ 240,250	\$ 44,000
114,074 (2004 – 74,074) common shares of NovaGold Resources Inc. (market value - \$1,140,740 (2004 - \$460,000))	802,429	320,000
53,000 (2004 – nil) common shares of Kobex Resources (market value - \$102,290 (2004 – nil))	28,620	-
250,000 (2004 – 250,000) common shares of Golden Cariboo Resources Ltd. (market value - \$18,750 (2004 - \$23,750))	12,500	12,500
180,000 (2004 – nil) common shares of Shoshone Silver Mining (market value - \$46,800 (2004 – nil))	81,350	-
	<u>\$1,165,149</u>	<u>\$376,500</u>

Market value is based on the quoted trading prices of the securities at March 31, 2005. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded.

Eagle Plains Resources Limited
(A Development Stage Corporation)
Notes to Consolidated Financial Statements

March 31, 2005 and 2004

4. Capital Assets	2005		2004	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Automotive	36,300	6,080		
Computer equipment & software	60,963	27,952	34,413	17,146
Equipment and furniture	58,249	13,645	67,360	7,260
Leasehold Improvements	13,501	2,238	-	-
	<u>169,013</u>	<u>49,915</u>	101,773	24,406
Net book value	<u>\$ 119,098</u>		<u>\$ 77,367</u>	

5. Mineral Properties and Deferred Costs

	<u>Mineral Property Interest</u>			
	December 31, 2004	Acquisition and Expenditures	Grants, Option Payments, Mineral Tax Credits	March 31, 2005
British Columbia Acquisition and Exploration	\$ 2,644,261	\$ 297,695	\$ (634,629)	\$ 2,307,327
NW Territories Acquisition and Exploration	93,109	35,328	-	128,437
Yukon Acquisition and Exploration	1,352,642	135,307	(84,219)	1,403,730
	<u>\$ 4,090,012</u>	<u>\$ 468,330</u>	<u>\$ (718,848)</u>	<u>\$ 3,839,494</u>

	<u>Gross Hectares</u>
BRITISH COLUMBIA	
3,855 claims	121,173
NORTHWEST TERRITORIES	
49 claims	1,023
YUKON	
647 claims	13,512
Gross hectares	<u>135,708</u>

March 31, 2005 and 2004

5. Mineral Properties and Deferred Costs - continued

a) Mining exploration properties

In the first quarter 2005, the Company expended \$468,330 (2004 - \$209,372), net of grants, option payments, and mineral tax credits of \$718,848 (2004 - \$276,532), on the exploration and development of their mineral properties, of which \$295,695 (2004 - \$200,812) was expended in B.C., \$35,328 (2004 - \$71) in the Northwest Territories and \$135,307 (2004 - \$8,849) in the Yukon. These expenditures were funded through cash on hand from the issuance of shares pursuant to flow through share agreements, private placements and through Mining Exploration Tax Credits and other government incentives.

- b) **Abo Project:** The Company entered into an option agreement with Northern Continental Resources Inc. ("Northern Continental") dated October 24, 2002 whereby Northern Continental has acquired the option to earn a 60% interest in Eagle Plains' wholly owned Abo Gold Property (the "Property"), located in the Harrison Lake area of south-western British Columbia, approximately 130km east of Vancouver. Northern Continental intends to firstly earn a 50% interest in the Property by completing \$1.5 million dollars in exploration expenditures, paying Eagle Plains \$10,000 and issuing 1.2 million common shares of Northern Continental over a 5 year period. Northern Continental Resources Inc., has paid as a finders fee 100,000 shares to Bernard Kreft, an arms-length individual and will pay a further 200,000 shares upon earning a 50% interest in the property.

In order to earn an additional 10% in the Property (for a total of 60%), Northern Continental shall complete a further \$1.5 million in exploration and development expenditures and issue an additional 500,000 shares to Eagle Plains over a 3-year period. For each additional 10% interest in and to the Property (from 70% to 100% and upon election by Eagle Plains), Northern Continental will agree to spend an additional \$1.5 million in exploration and development expenditures and issue an additional 500,000 common shares to Eagle Plains over each three-year period. Under terms of the Agreement, a retained 2% Net Smelter Return ("NSR") will be eligible for sale to Northern Continental for a total of \$2,500,000. The Company has received 800,000 common shares from Northern Continental Resources and sold 200,000, resulting in 600,000 common shares owned by the Company at March 31, 2005 (Note 3). The remaining 300,000 commons shares of Northern Continental relate to the LCR property (Note 5 (h)).

The Company and option partner Northern Continental have completed a 10 hole, 2,468m diamond drilling program in the first quarter. A new mineralized zone has been discovered over approximately 100m (open in all directions) on the property.

- c) **Acacia Property:** On December 20, 2004 the Company executed a Letter Agreement with Amarc Resources Ltd. ("AHR"), a Vancouver-based exploration company controlled by the Hunter-Dickinson Group. The parties have agreed in principle (subject to TSX-V approval, subsequently received May 4, 2005) that AHR may earn up to a 60% interest in Eagle Plains' 100% owned Acacia property by completing \$2,500,000 in exploration expenditures, issuing to Eagle Plains 350,000 voting class common shares, and making \$125,000 in cash payments. The payments are due as follows: \$10,000 on the signing of the letter agreement, \$15,000 on signing of the formal agreement, \$25,000 thereafter on the anniversary of the effective date of the agreement. AHR may further increase its interest to 75% by carrying the project to feasibility. AHR is required to spend at least \$100,000 on the property in 2005 to maintain its option.
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March 31, 2005 and 2004

5. Mineral Properties and Deferred Costs - continued

d) **Bar Project:** The Company entered into an option agreement dated August 25, 2000, and subsequently, amended on September 26, 2001, with Golden Cariboo Resources Ltd. ("Golden Cariboo"), whereby Golden Cariboo may earn up to a 100% interest, subject to 2% NSR royalty, in the property through option payments of \$100,000 over four years, exploration expenditures of \$900,000 on the project by December 31, 2004, and the issuance of 200,000 common shares of Golden Cariboo. In 2000 and 2001, Golden Cariboo made an option payment of \$10,000 and issued 200,000 common shares to the Company, further reducing the remaining options commitment to \$90,000.

On January 15, 2003, the companies amended the option agreement to accept \$20,000 as an option payment via issuance of an additional 50,000 Golden Cariboo common shares, reducing the remaining option commitment to \$70,000. On February 27, 2003, the Company received 50,000 common shares from Golden Cariboo, resulting in 250,000 shares being owned by the Company at March 31, 2004 (Note 3).

As of December 31, 2004, Golden Cariboo was in default of the option agreement. The Company is currently negotiating a revised agreement.

e) **Blende Project:** The Company entered into an option agreement dated February 28, 2004 with Shoshone Silver Ltd. ("Shoshone") whereby Shoshone may earn a 60% interest from the Company's silver/base-metal deposit located in the Wernecke Mountains, approximately 65 miles NE of Keno in central Yukon Territory.

Shoshone has paid to the Company a total of \$32,000 cash and has issued 180,000 common shares (Note 3). To complete its earn-in, Shoshone will carry out \$5,000,000 in exploration expenditures and issue in total 900,000 voting-class common shares to the Company by December 31, 2008. The Company will remain operator of the project up to the completion of \$800,000 in expenditures. A 10% finder's fee has been reserved for B. Kreft, an arm's length party, and will be paid by the vendor.

Subsequently, on May 5, 2005, Shoshone terminated the option agreement. The Company is currently seeking a new venture partner.

f) **Copper Canyon Project:** The Company entered into an option agreement dated May 28, 2002 to earn a 100% interest, subject to a 2% net smelter return royalty, on the property located south of Telegraph Creek, by option payments and exploration expenditures as detailed below:

<u>Option</u> <u>Payments</u>	<u>Exploration</u> <u>Expenditures</u>	<u>Due Date</u>
\$ 6,500	\$ -	May 30, 2003 (Paid)
8,500	-	May 30, 2004 (Paid)
25,000	100,000	May 30, 2005
50,000	100,000	May 30, 2006
70,000	100,000	May 30, 2007
<u>90,000</u>	<u>200,000</u>	May 30, 2008
<u>\$250,000</u>	<u>\$ 500,000</u>	

In 2002, pursuant to this option agreement, the Company issued 100,000 non-flow through common shares to the property owner valued at \$22,000.

March 31, 2005 and 2004

5. Mineral Properties and Deferred Costs - continued

Pursuant to this option agreement, the Company has also committed to make \$15,000 annual advanced royalty payments to the property owner commencing May 30, 2009 until commencement of commercial production. Advanced royalty payments will be netted against royalty interest payments after the commencement of commercial production.

On February 26, 2004, a letter agreement was executed between the Company and SpectrumGold Resources (now NovaGold Resources Inc., ("NovaGold")) on the Copper Canyon project. Under terms of the agreement, NovaGold has the option to acquire a 60% interest in the project from the Company by completing \$3 million in exploration expenditures over the next 4 years, issuing 296,296 shares of NovaGold and making payments totalling \$250,000. NovaGold may earn an additional 20% interest in the project for a total of 80% by paying the Company \$1 million and completing a Feasibility Study on the project by no later than September 2011. This agreement supercedes a Letter of Intent between the Company and Viceroy Resource Corp. announced on February 12, 2003.

In 2004, the Company received 100,000 SpectrumGold shares which were subsequently exchanged for 74,074 NovaGold shares, of which 14,074 shares were disposed. In the first quarter the Company received an additional 74,074 NovaGold shares and sold 20,000 shares resulting in the Company owning 114,074 shares at March 31, 2005 (Note 3).

- g) **Kalum Project:** In January 2003, the Company staked over 572 claims (34,750 acres) located 35km northwest of Terrace, BC. The claims were acquired to cover numerous high-grade gold occurrences associated with a Cretaceous-aged intrusive stock that has intruded sedimentary and volcanic rocks of the Jurassic to Cretaceous aged Bowser Lake sediments. The claims are owned 100% by the Company with a 1% NSR reserved for the vendor, B. Kreft, an unrelated party.

In 2004, a diamond drilling program was completed on the project with 19 holes completed for a total of 1,958m on four separate target areas. Analytical results confirmed the presence of widespread gold mineralization on the property. Another drilling program is scheduled for later in 2005.

- h) **LCR Property:** On February 12, 2003, the Company entered into an option agreement to earn a 100% interest, subject to a 1% net smelter return royalty, in the LCR property through option payments, exploration expenditures, and issuance of the Company's common shares as detailed below:

<u>Option</u>	<u>Common</u>	<u>Due Date</u>
<u>Payments</u>	<u>Shares</u>	
\$ 5,000	100,000	December 31, 2003 (Paid)
-	100,000	December 31, 2005 (Paid)
-	<u>100,000</u>	December 31, 2007
<u>\$5,000</u>	300,000	

Pursuant to this option agreement, the Company issued 100,000 common shares to the property owner valued at \$15,000. In March 2005 the Company issued 100,000 common shares to the property owner valued at \$73,000 to complete the option commitment for 2005.

March 31, 2005 and 2004

5. Mineral Properties and Deferred Costs - continued

On January 15, 2004, the Company signed an option agreement with Northern Continental whereby Northern Continental may earn a 60% interest in the property by making a cash payment of \$10,000, issuing 1,000,000 common shares and completing \$3,000,000 in exploration expenditures over 5 years. The Company will remain operator of the project up to the completion of \$1,000,000 in exploration expenditures. During 2004, the Company received 400,000 common shares of Northern Continental and sold 100,000 shares resulting in 300,000 shares being owned by the Company at March 31, 2005 (Note 5 (b)).

- i) **McQuesten Project:** The Company entered into an option agreement with Viceroy Resources Corporation (as of July 2003, Viceroy changed their name to Quest Capital Corp.) dated October 1, 1997, and transferred to NovaGold on April 26, 1999. The agreement was amended on October 12, 2001 whereby NovaGold can earn up to a 70% interest in the property through an \$80,000 option payment and by undertaking a pre-determined 10,000 foot drilling program on the optioned property. As of December 31, 2004 and 2003, all option payments have been received and a joint venture established between the Company and NovaGold whereby the Company will retain a 30% interest. On March 15, 2005, NovaGold sold their 70% interest to Alexco Resource Group, who will be continuing with the joint venture agreement.
- j) **Sprogge Project:** On March 11, 2005, the Company purchased 100% interest, subject to a 1% net smelter return royalty, in the property through the issuance of 100,000 common shares of the Company to the property owner.
- k) **Titan Project:** On October 25, 2002, the Company entered into an option agreement to earn a 100% interest in the property through option payments as detailed below:

<u>Option</u>	<u>Due Date</u>
<u>Payments</u>	
\$ 5,000	December 31, 2003 (Paid)
7,000	December 31, 2004 (Paid)
10,000	December 31, 2005
15,000	December 31, 2006
<u>35,000</u>	December 31, 2007
\$72,000	

Pursuant to this option agreement, the Company is committed to complete a \$150,000 exploration program by December 31, 2007.

The Company subsequently entered into an option agreement dated February 29, 2004 on the property with Kobex Resources Ltd. ("Kobex") and received \$5,000 in cash and 100,000 Kobex shares, of which 47,000 shares were sold in the first quarter 2005 resulting in 53,000 shares owned by the Company at March 31, 2005 (Note 3). Subsequent to conducting an exploration program, Kobex terminated the option agreement in the first quarter 2005.

In the first quarter 2005, the Company signed a letter of intent with Canadian Goldrush Corporation ("Canadian Goldrush") whereby Canadian Goldrush would enter into an option agreement to acquire a 60% working interest in the property. Canadian Goldrush paid \$5,000 on signing the letter of intent. Canadian Goldrush subsequently terminated the letter of intent.

Eagle Plains Resources Limited
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Notes to Consolidated Financial Statements

March 31, 2005 and 2004

5. Mineral Properties and Deferred Costs - continued

- l) **Severance Project:** On March 18 2003, the Company announced that it had negotiated an agreement with 4763 NWT Ltd. whereby the Company may earn a 100% interest in the claims by paying 100,000 common shares and completing \$40,000 in exploration expenditures over two years. A 2% NSR is reserved for the vendor, half of which may be purchased at any time for \$1,000,000. The Company will further reserve for the vendors 25% of the proceeds from any subsequent third-party sale or option of the claims, to a maximum of \$100,000.

In 2004, pursuant to this option agreement, the Company has completed the exploration expenditure commitment. In 2003, the Company issued 50,000 common shares to the property owner, valued at \$12,500 and the balance of 50,000 common shares were issued in the first quarter 2005, valued at \$31,000.

Eagle Plains Resources Limited
(A Development Stage Corporation)
Notes to Consolidated Financial Statements

March 31, 2005 and 2004

6. Equity Instruments

a) Authorized

Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

b) Issued and outstanding

	<u>2005</u>		<u>2004</u>	
	<u>Number of</u>		<u>Number of</u>	
	<u>Shares</u>		<u>Shares</u>	
<u>Common Shares</u>				
Balance, beginning of year	39,796,446	\$ 8,072,475	27,492,130	\$ 4,802,546
Issued flow through shares for cash	-	-	2,510,166	1,506,100
Issued for cash via private placement	-	-	5,020,332	2,259,149
Issued upon exercise of Agent's options	150,615	75,307	-	-
Issued in exchange for mineral claims	275,000	195,250	-	-
Issued for cash on exercise of warrants	1,300,000	274,000	820,000	272,405
Issued for cash on exercise of options	885,418	221,324	-	-
Black Scholes value of options exercised	-	123,180	-	-
Black Scholes value of warrants exercised	-	39,000	-	-
Share issue costs	-	(49,312)	-	(406,942)
Balance, end of year	42,407,479	\$ 8,951,242	35,842,628	\$ 8,433,258
<u>Options</u>				
Balance, beginning of year	3,826,401	\$ 678,441	2,453,418	\$ 27,400
Granted – agent	-	-	251,017	13,610
Granted – employees (Note 6 (c))	855,000	304,400	160,000	18,069
Exercised	(1,036,033)	(123,063)	-	-
Expired	(13,000)	(117)	-	-
Balance, end of year	3,632,368	\$ 859,661	2,864,435	\$ 59,079
<u>Warrants</u>				
Balance, beginning of year	5,953,166	\$ 1,045,400	3,960,000	\$ 117,900
Issued in flow through shares (Note 6 (e))	-	-	2,510,166	141,074
Issued in private placement (Note 6 (e))	-	-	251,017	27,220
Issued to Agents	50,205	-	-	-
Exercised	(1,300,000)	(39,000)	(820,000)	(26,405)
Balance, end of year	4,703,371	\$ 1,006,400	5,901,183	\$ 259,789
Total equity instruments		<u>\$ 10,817,303</u>		<u>\$ 8,752,126</u>

c) Directors and management share options

The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 5 years.

Eagle Plains Resources Limited
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Notes to Consolidated Financial Statements

March 31, 2005 and 2004

6. Equity Instruments – continued

As at March 31, 2005, the Company has the following stock options outstanding:

	Number of Shares	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding, December 31, 2004	3,826,401	\$0.10 - \$0.65	\$0.45
Options - granted	855,000	\$0.65	\$0.65
Options – exercised	(1,036,033)	(\$0.10 - \$0.50)	(\$0.29)
Options - expired	(13,000)	(\$0.20 - \$0.50)	(\$0.27)
Options outstanding, March 31, 2005	3,632,368	\$0.10 - \$0.65	\$0.52

As at March 31, 2004 the Company had the following stock options outstanding:

	Number of Shares	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding, December 31, 2003	2,453,418	\$0.10 - \$.30	\$0.13
Options - granted	411,017	\$0.50	\$0.50
Options outstanding, March 31, 2004	2,864,435	\$0.10 - \$0.50	\$0.29

The following table summarizes information about the stock options outstanding at March 31, 2005:

Options outstanding	Option price	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
160,000	\$0.10	\$0.10	2.5 years	160,000	\$0.10
300,000	\$0.25	\$0.25	3.0 years	300,000	\$0.25
50,000	\$0.50	\$0.50	3.9 years	50,000	\$0.50
572,868	\$0.50	\$0.50	1.0 years	572,868	\$0.50
555,000	\$0.50	\$0.50	4.0 years	555,000	\$0.50
50,000	\$0.65	\$0.65	4.3 years	50,000	\$0.65
650,000	\$0.50	\$0.50	4.5 years	650,000	\$0.50
350,000	\$0.65	\$0.65	4.6 years	132,500	\$0.65
89,500	\$1.00	\$1.00	.8 years	89,500	\$1.00
855,000	\$0.65	\$0.65	5.0 years	775,000	\$0.65
3,632,368		\$0.52		3,334,868	\$0.52

The following table summarized information for the stock options outstanding at March 31, 2004:

Options outstanding	Option price	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
1,988,418	\$0.10	\$0.10	3.6 years	1,988,418	\$0.10
300,000	\$0.25	\$0.25	4.1 years	300,000	\$0.25
65,000	\$0.10	\$0.10	3.6 years	65,000	\$0.20
100,000	\$0.30	\$0.20	4.6 years	100,000	\$0.30
160,000	\$0.50	\$0.50	4.8 years	160,000	\$0.50
251,017	\$0.50	\$0.50	4.8 years	251,017	\$0.50
2,864,435		\$0.24		2,864,435	\$0.24

Eagle Plains Resources Limited
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Notes to Consolidated Financial Statements

March 31, 2005 and 2004

6. Equity Instruments – continued

d) Compensation expense for share options

The Company records compensation expense for stock options issued to employees in 2004 and 2003, as disclosed in Note 2(k). Compensation expense has been determined based on the estimated fair value of the options at the grant dates.

For options issued in 2004 and 2005, the fair value of stock options was estimated using the Black-Scholes option-pricing model with the following assumptions: Dividend yield Nil (2004 – Nil), expected volatility 61% (2004 – 10%); risk-free interest rate 3.5% (2004 – 5%); and weighted average life of 5 years (2004 - 5 years).

As at March 31, 2005, \$304,400 (2004 – \$18,069) has been recorded as stock based compensation related to the options issued to employees with the corresponding amount charged to share capital.

e) Warrants outstanding

The fair value of each warrant was determined at the grant date using the Black-Scholes model assuming a risk-free interest rate of 3.5% and an expected volatility rate of 61%.

At March 31, 2005, the Company has the following share purchase warrants outstanding:

Total issued and outstanding	Expiry	Number	Price
Balance, December 31, 2004	Feb. 2004 to Sept. 2005	5,953,166	\$0.20-\$1.00
Issued January, 2005	October 31, 2005	60,061	\$1.00
Exercised 1 st Quarter	Feb 2005/Oct 2005	(1,300,000)	\$0.20 - \$1.00
Balance, March 31, 2005		4,713,227	
To be issued	March 2006	190,956	\$1.00
To be issued	December 2005	44,750	\$1.00
		4,948,933	\$0.30-\$1.00

In the first quarter 2005, 1,300,000 warrants were exercised at a price of \$0.20 for net proceeds of \$274,000.

As at March 31, 2004, the Company has the following share purchase warrants outstanding:

Issued	Expiry	Number	Price
February, 2003	February, 2005	1,160,000	\$0.20
September, 2003	September, 2005	1,980,000	\$0.30
January, 2004	Dec ,2004/Mar, 2006	2,761,183	\$1.00
Total issued and outstanding, at March 31, 2004		<u>5,901,183</u>	

f) Shareholder rights protection plan

The shareholders have approved a plan which the directors intend to implement at their discretion to provide adequate time for the shareholders and the directors to seek alternatives to, and to assess the merits of, bids for the shares of the Company. This plan attaches special rights to the issued shares of the Company. These special rights are void to a bidder who seeks to acquire more than 20 % of the voting shares of the Company.

March 31, 2005 and 2004

7. Related Party Transactions

Except as noted elsewhere in these consolidated financial statements, the Company was involved in the following related party transactions in the first quarter 2005:

- a) Of the 855,000 options issued, 725,000 were issued to directors of the Company.
- b) Of the 1,036,033 shares issued for options exercised, 853,418 were issued to directors of the Company.
- c) Of the 1,300,000 shares issued for warrants exercised, 460,000 were issued to directors of the Company.
- d) Director fees were paid in the amount of \$2,500 (2004 - \$Nil).
- e) Included in general administrative expenses is \$7,396 (2004 - \$767) paid for accounting services and related expenses to a director and CFO of the Company.

Except as disclosed, all related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. The exchange amounts approximate fair values.

8. Asset Retirement Obligation

At March 31, 2005 and 2004, the Company does not estimate costs relating to future site restoration and abandonment to be material. The Company has currently made no provision for site restoration costs or potential environmental liabilities as all properties are still in the exploration stages. Factors such as further exploration, inflation and changes in technology may materially change the cost estimate.

9. Commitments and Contingent Liabilities

As detailed in Note 5, the Company has entered into various option agreements pursuant to the terms of which it is committed to the following over the next five years:

2005	\$300,000 Expenditures, \$55,000 Options, \$30,000 Royalty payments
2006	\$200,000 Expenditures, \$105,000 Options, \$30,000 Royalty payments
2007	\$450,000 Expenditures, \$165,000 Options, \$30,000 Royalty payments
2008	\$1,100,000 Expenditures, \$170,000 Options, \$30,000 Royalty payments
2009	\$30,000 Royalty payments

To meet renouncement requirements the Company is committed to incur in exploration expenses \$1,756,370 by December 31, 2005 (2004 - \$629,500), of which \$468,330 has been expended in the first quarter.

March 31, 2005 and 2004

9. Commitments and Contingent Liabilities

The Company has an ongoing contract with a company to provide investor relation services which expires May 31, 2005. Terms of the contract are monthly fees of \$5,000 plus 50,000 options issued, exercisable at a price of \$0.50 per share for a 5 year period and 50,000 options issued, exercisable at a price of \$0.65 per share for a 5 year period, and vesting quarterly over a 12 month period.

The Company has retained the services of an unrelated company to provide consulting services on issues related to communications and overall corporate development. Terms of the contract are monthly fees of \$5,000 plus 200,000 options issued, exercisable at a price of \$0.65 per share for a 5 year period, and vesting quarterly over a 12 month period.

The Company also assigned \$71,500 of term deposits and cash balances with a Canadian financial institution for the guarantee of business credit cards.

The Company has no material commitments pursuant to its current property lease agreements.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification.

Additionally, in the ordinary course of business, other indemnifications may have also been provided pursuant to provisions of purchase and sale contracts, service agreements, joint venture agreements, operating agreements and leasing agreements. In these agreements, the Company has indemnified counterparties if certain events occur. These indemnification provisions vary on an agreement by agreement basis. In some cases, there are no pre-determined amounts or limits included in the indemnification provisions and the occurrence of contingent events that will trigger payment under them is difficult to predict. Therefore, the maximum potential future amount that the Company could be required to pay cannot be estimated.

10. Financial Instruments

As disclosed in Note 2 (g), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk and currency risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk

At March 31, 2005 and 2004, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions.

b) Currency risk

Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

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March 31, 2005 and 2004

11. Statement of Cash Flow

- a) In the first quarter 2005, pursuant to option agreements, the Company issued 275,000 (2004 - nil) common shares to the property owners with an attributed value of \$195,250 (2004 - nil).
- b) In the first quarter 2005, pursuant to certain mineral property option agreements, the Company received 74,074 (2004 – 274,074) shares with an attributed value of \$629,629 (2004 - \$344,000).

As at March 31, 2005

Management Discussion and Analysis
First Quarter, 2005

Management's discussion and analysis ("MD& A") provides a discussion of the Company's consolidated financial and operating results for the quarter ended March 31, 2005 with comparisons to previous quarters. This MD& A should be read in conjunction with the quarterly consolidated financial statements and accompanying notes and the most recently annual audited consolidated financial statements and notes.

Business Overview

Eagle Plains Resources Ltd. ("Eagle Plains") is a junior exploration company aggressively exploring for minerals in British Columbia, NWT and the Yukon. The company's objective is to enhance shareholder value by identifying and securing early-stage exploration and development opportunities in gold, silver and base metal projects. In pursuit of this goal, the Company relies on in-house and contracted research to generate exploration targets. Property acquisition is followed by initial exploration and subsequent optioning of properties of merit to junior and major exploration companies for advanced exploration and development.

The Company's wholly owned subsidiary Bootleg Exploration Inc. is responsible for carrying out exploration activities on all of Eagle Plains' mineral properties, including those held under option by third parties where it was negotiated that Eagle Plains will remain as operator.

The Company holds interests in 37 gold and base metal properties throughout British Columbia, the Yukon and Northwest Territories, of which 8 are currently under joint venture or option agreements with third parties.

Results of Operations

As at March 31, 2005, the Company had working capital of \$4,706,364 (2004 - \$3,971,080).

The Company held cash of \$ 4.3 million and publicly traded securities having a market value of \$1,767,580 (2004 - \$559,750) and a book value of \$1,165,149 (2004 - \$376,500), comprised of common shares of third party optionees issued to the Company in accordance with the terms of certain property option agreements.

In January 2005, the Company received 74,074 common shares from NovaGold Resources Ltd. as part of the Copper Canyon agreement. These were recorded at \$8.50 for a value of \$629,629 which is based on a 15% discount from the fair market value on the date of receipt.

During the quarter, the Company realized, from the trade of 47,000 Kobex shares and 20,000 NovaGold shares, proceeds of \$327,667 (2004 - nil) and investment gains of \$215,887 (2004 - nil).

In the first quarter 2005, the Company reported a net loss of \$294,698 compared to a net loss of \$138,968 in 2004. This change is due primarily to an increase in administrative expenses owing to increased business activity, a more aggressive investor relations program and stock option compensation expense.

Revenue from geological services to third parties for the quarter was \$444,514 (2004 - nil) with corresponding exploration expenses of \$346,956 (2004 - nil) resulting in a gross profit of \$97,558 (2004 - nil).

Total non-exploration expenses of \$625,182 (2004 - \$139,174) increased due to additional staff and office costs of \$109,616 (2004 - \$60,544) owing to an increase in the level of business activities, a more aggressive investor relations program of \$134,423 (2004 - \$30,507), stock option expense of \$304,400 (2004 - \$17,022) due to 855,000 (2004 - 160,000) options issued and professional fees of \$56,721 (2004 - \$13,032) due to current year end accounting fees not accrued at year end as in the prior year.

As at March 31, 2005

At March 31, 2005, total investments in mineral properties decreased to \$3,839,494 (2004 - \$3,056,734) from \$4,090,012 at December 31, 2004, owing to 74,074 common shares received from NovaGold valued at \$629,629 and Yukon grants received of \$84,219. The Company had exploration expenditures of \$468,329 (2004 - \$212,067) on their mineral properties.

At the beginning of the quarter the company was committed to incur exploration expenditures of \$1,756,370 to meet the renouncement requirements from the issuance of flow through shares in the previous year. The first quarter's expenditures of \$ 468,329 have reduced the unexpended renouncement requirement to \$ 1,285,341.

Financing

On April 12, 2005 the Company elected to extend warrants with a current expiry of April 30, 2005 to October 31, 2005.

Copper Canyon Resource Estimate

On January 10, 2005 Eagle Plains announced that it had been notified by joint venture partner NovaGold Resources Inc. (AMEX, TSX: NG) that an inferred resource has been defined on Eagle Plains' **Copper Canyon** gold-silver-copper project located in northwestern British Columbia. The significant new Inferred Category resource estimate completed by independent engineering firm, Hatch Ltd. of Vancouver, B.C., Canada, shows that the Copper Canyon target at the Galore Creek project in Northwestern British Columbia contains over 2.86 million ounces of gold, 37.9 million ounces of silver and 1.16 billion pounds of copper at a 0.35% copper equivalent cut-off grade (CuEq). Copper Equivalent grades are based both on long-term average metal prices and estimated recoveries based on extensive metallurgical data from the adjacent Galore Creek Central/SW deposit. The estimate utilized a geologic model developed from the previously announced drilling at Copper Canyon during 2004 by NovaGold and historic results which had encountered significant widths of gold, silver and copper mineralization. Management of Eagle Plains and NovaGold are encouraged with the development of this initial resource at Copper Canyon and the potential to further expand the near-surface gold rich mineralization with additional work in 2005.

BC Fieldwork:

During the period January 01 – March 31 2005, Eagle Plains, through its wholly owned subsidiary, Bootleg Exploration Inc., carried out exploration work on two British Columbia projects. Diamond drilling was initiated and completed on the **Abo** (gold) project near Harrison Lake, BC. A total of 2468m (8095') in 10 holes was completed. The property is currently under option to Northern Continental Resources Ltd., (NCR – TSX.V) who paid for the work.

In South East BC, near the town of Creston, diamond drilling was undertaken on the **Iron Range** (copper-gold-lead-zinc-silver) project. This is a continuation of a program which was interrupted by winter weather conditions in late November 2004. The target is Sullivan type lead -zinc - silver mineralization.

Yukon/NWT Fieldwork:

On March 04, 2005 Eagle Plains announced that it had been granted the exclusive exploration rights to over 4300 sq. km of land east of the Yukon/NWT territorial border, considered to be highly prospective for the presence of large carbonate-hosted silver-lead zinc deposits. These rights occur in the form of NWT Government-granted "prospecting permits" which enable the holder to complete exploration activity over entire individual map sheets for a period of three years, with the exclusive right to acquire formal title within these selected areas.

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Summary of Quarterly Results

Year	2005 Mar 31	2004 Dec 31	2004 Sep 30	2004 Jun 30	2004 Mar 31	2003 Dec 31	2003 Sep 30	2003 Jun 30
Revenues	677,440	97,001	693,026	238,000	206	28	-	-
Net Profit (Loss)	(294,698)	(275,818)	12,726	(99,217)	(138,968)	(355,932)	(65,082)	(81,415)
Gain (Loss) per Share	(.0085)	(0.0070)	0.0004	(0.0030)	(0.0041)	(0.0147)	(0.0025)	(0.0035)

Over the past eight quarters, expenses have increased reflecting a corresponding increase in exploration and corporate development activities. Revenue has increased due to geological services provided by Bootleg Exploration to third parties and should continue in 2005.

Subsequent Events

On April 14, 2005, the Company completed the mineral property option agreement with Amarc Resources Ltd on the Acacia property located near Kamloops in British Columbia. The agreement allows Amarc to earn a 60% interest in the property by paying Eagle Plains \$125,000, issuing 350,000 common shares and expending \$2.5 million on exploration over the next four years.

Subsequent to the quarter, Canadian Goldrush Corporation withdrew from its letter of intent to earn an interest in the Titan Molybdenum project near Atlin, British Columbia.

Liquidity and Capital Resources

As at March 31, 2005, the Company has cash and cash equivalents of \$4,394,641 (2004 - \$4,055,906), of which \$1,243,101 (2004 - \$629,500) is restricted to flow-through expenditures on Canadian mineral properties.

The Company has sufficient cash liquidity to carry out its exploration commitments for 2005. The non-flow through portion of working capital will cover the Company's general and administrative expenses for the next two years, provided that no extraordinary circumstances arise.

At March 31, 2005, the Company held publicly traded securities having a market value of \$1,765,149 (2004 - \$559,750). Market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company.

The Company has entered into various option agreements pursuant to the terms of which it is committed to spending \$720,000 over the next two years and a further \$1,975,000 in the following three years to maintain the current terms of the option agreements. For more detail see Note 9 to the financial statements.

The exploration and development programs of the Company are determined based on management's objectives, the likelihood of success for each phase, the anticipated costs, funding available and external factors such as legal issues, negotiations with First Nations and changes in government policies.

Transactions with Related Parties

725,000 options were issued to directors of the Company and a \$304,400 stock option expense was recorded using the Black Scholes option-pricing model.

853,418 shares were issued, for options exercised, to directors of the Company for proceeds of \$205,342
460,000 shares were issued, for warrants exercised, to directors of the Company for proceeds of \$232,000
Director fees of \$2,500 were paid in the first quarter 2005.

The Company paid a director of the company \$7,396 (2004 - \$767) for accounting services and related expenses.

As at March 31, 2005

Investor Relations

The Company renewed the contract with A. Schwab & Associates to perform investor relations services for an additional six-month term ending June 7, 2005. Under the agreement 50,000 options have been issued to A. Schwab at \$0.65 per share for a 5-year period and vesting quarterly over a 12 month period ending December 7, 2005. All other terms under the original contract, including remuneration, shall remain unchanged.

The Company has also retained the services of Scott F. Gibson and Company Inc. (“Gibson”) to provide consulting services to EPL on issues related to communications and overall corporate development. 200,000 share options have been issued to Gibson, exercisable at a price of \$.65 per share for a 5 year period, and vesting quarterly over a 12 month period ending September 7, 2005.

Critical Accounting Estimates

Estimates relevant to the Company include the capitalization of certain exploration expenditures, and the expensing of the “fair value” of warrants and stock-based compensation, such as stock option grants.

The Company reviews capitalized costs on its property interests on an annual basis and will recognize an impairment in value based upon current exploration results and upon management’s assessment of the future viability of the properties.

Under the new accounting rules used for the Company, the “fair value” of warrants and stock based compensation must be expensed for income statement purposes. In addition, agents warrants issued as stock-based compensation to brokers must be similarly accounted for and recorded as a share issue cost. The determination of the fair value of options and warrants for this purpose is done using the “Black Scholes” formula. Some of the parameters used in this formula are highly subjective, in particular the assumption of future share price volatility, and therefore the amounts expensed are highly subjective and may not be reflective of the true cost of the options and warrants granted. If none of the options and agents’ warrants are exercised, the amounts previously expensed are not adjusted and the increases in the Company’s balance sheet Deficit account and Share Capital account remain. During the quarter, \$304,400 was expensed to reflect stock based compensation (option grants). These are non-cash accounting entries that have no effect on the Company’s cash position.

Accounting Policies

The financial information presented in the Consolidated Financial Statements is prepared in accordance with generally accepted accounting principles in Canada. The Company’s accounting policies have not changed since incorporation and no future changes are contemplated.

Financial Instruments

The Company carries various financial instruments and its management’s opinion that the Company is not exposed to significant risks arising from these financial instruments. Substantially all of the Company’s cash is held at two recognized Canadian National financial institutions. As a result, the Company is exposed to all of the risks associated with these institutions.

Other MD & A Requirements

Additional information relating to the Company is available on the SEDAR website: www.sedar.com under “Company Profiles” and “Eagle Plains”.

Deferred Property Expenditures

The required detailed schedule of Deferred Property Costs for the quarter is included in the Company’s interim financial statements. During the first quarter 2005, the Company had expenditures of \$468,330 (2004 - \$212,067) before grants and option payments of \$718,848 (2004 - \$363,000) resulting in total Deferred Property Costs of

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Management Discussion and Analysis

As at March 31, 2005

\$3,839,494 (2004 - \$3,056,734) down from \$4,090,012 at December 31, 2004 (2003 - \$3,056,734).

Disclosure of Outstanding Share Data

The Company has an unlimited number of common shares without nominal or par value authorized for issuance.

As of March 31, 2005, the Company had 42,407,479 common shares issued and outstanding. There are no other classes of shares outstanding.

During the first quarter 2005, 2,611,033 shares were issued and 855,000 options were issued at an exercise price of \$0.65 each. 1,036,033 options were exercised and 13,000 options expired. There were 1,300,000 warrants exercised and 50,205 warrants issued at an exercise price of \$1.00.

A detailed schedule of Share Capital is included in Note 6 to the Company's interim financial statements.

Forward Looking Statements

"All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements."

Outlook

The Company is expecting a very active year. The Company expects to see 8-10 drill programs during the year. Drilling activity commenced in March 2005 and will continue on throughout the year on the different mineral properties.

The capital markets for exploration companies remain strong due to the continued strength in the commodities prices for the Company's principal exploration targets such as base metals and gold and this is expected to remain consistent over the near term future.

With a strong management team and sound financial position Eagle Plains is poised for a tremendous year of activity and growth.

Concluding Remarks

Eagle Plains' management continues to focus its efforts on locating economic mineralization, to ultimately provide financial reward to our shareholders. We appreciate the patience, loyalty and ongoing support of the Company's shareholders.

On behalf of the Board of Directors

Signed,

"Tim J. Termuende"

Tim J. Termuende, P.Geol.
President and CEO