

**MAXIMUS VENTURES LTD.**

**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2005**

**(Unaudited – prepared by management)**

Maximus Ventures Ltd.

Unaudited Interim Consolidated Financial Statements

Six-Month-Period Ended March 31, 2005

The accompanying unaudited interim consolidated financial statements of Maximus Ventures Ltd. for the six-month-period ended March 31, 2005 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These financial statements have not been reviewed by the Company's external auditors.

**MAXIMUS VENTURES LTD.**  
**CONSOLIDATED BALANCE SHEETS**  
**AS AT MARCH 31**  
(Unaudited – prepared by management)

	March 31, 2005	September 30, 2004
<b>ASSETS</b>		
<b>Current</b>		
Cash and equivalents	\$ 1,397,209	\$ 2,048,434
Receivables	41,442	31,634
Prepaid expenses	<u>5,000</u>	<u>37,400</u>
	1,443,651	2,117,468
<b>Due from related parties</b> (Note 2)	11,822	86,618
<b>Equipment</b> (Note 3)	-	51,084
<b>Mineral properties</b> (Note 4)	264,031	195,000
<b>Deferred exploration costs</b> (Note 5)	<u>523,881</u>	<u>366,357</u>
	<u>\$ 2,243,385</u>	<u>\$ 2,816,527</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 114,471	\$ 507,500
Current portion of capital lease obligation (Note 6)	<u>-</u>	<u>5,643</u>
	114,471	513,143
<b>Capital lease obligation</b> (Note 6)	<u>-</u>	<u>42,324</u>
	<u>114,471</u>	<u>555,467</u>
<b>Shareholders' equity</b>		
Capital stock (Note 7)	27,343,545	27,278,545
Contributed surplus (Note 7)	1,386,085	1,330,830
Deficit	<u>(26,600,716)</u>	<u>(26,348,315)</u>
	<u>2,128,914</u>	<u>2,261,060</u>
	<u>\$ 2,243,385</u>	<u>\$ 2,816,527</u>

**Nature and continuance of operations** (Note 1)

**On behalf of the Board:**

"IAN ROZIER"

Director

"FREDERICK GRAYBEAL"

Director

The accompanying notes are an integral part of these consolidated financial statements.

**MAXIMUS VENTURES LTD.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT**  
(Unaudited – prepared by management)

	For the Three-Months Ended Mar 31, 2005	For the Three-Months Ended Mar 31, 2004	For the Six-Months Ended Mar 31, 2005	For the Six-Months Ended Mar 31, 2004
<b>EXPENSES</b>				
Accounting and auditing	\$ 3,000	\$ 5,800	\$ 4,200	\$ 6,400
Administration fees	7,500	7,500	15,000	12,500
Amortization	564	4,408	4,536	9,253
Consulting fees	-	50,200	40,220	124,400
Interest on capital lease obligation	910	1,040	1,830	2,080
Legal fees	6,336	3,447	7,458	5,413
Management fees	30,321	12,000	67,524	24,000
Office and miscellaneous	5,995	15,633	7,181	24,436
Property investigation costs, net of recovery costs	(10,000)	22,284	(8,872)	104,331
Regulatory and transfer agent fees	12,167	9,673	14,323	11,084
Rent and telephone	-	9,752	8,621	22,450
Shareholder information and investor relations	9,390	42,464	11,285	72,228
Stock-based compensation	-	-	55,255	50,418
Travel and related costs	5,734	3,170	15,037	35,666
<b>Loss before other items</b>	<u>(71,917)</u>	<u>(187,371)</u>	<u>(243,598)</u>	<u>(504,659)</u>
<b>OTHER ITEMS</b>				
Interest income	3,012	4,266	6,482	9,963
Interest expense (Note 4)	(10,772)	-	(10,772)	-
Write-off equipment	(4,513)	-	(4,513)	-
	<u>(12,273)</u>	<u>4,266</u>	<u>(8,803)</u>	<u>9,963</u>
<b>Loss for the period</b>	(84,190)	(183,105)	(252,401)	(494,696)
<b>Deficit, beginning of period</b>	<u>(26,516,526)</u>	<u>(24,965,187)</u>	<u>(26,348,315)</u>	<u>(24,653,596)</u>
<b>Deficit, end of period</b>	\$ (26,600,716)	\$ (25,148,292)	\$ (26,600,716)	\$ (25,148,292)
<b>Basic and diluted loss per common share</b>	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.05)
<b>Basic and diluted weighted average number of common shares</b>	24,692,381	9,620,221	24,650,257	9,556,454

The accompanying notes are an integral part of these consolidated financial statements.

**MAXIMUS VENTURES LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited – prepared by management)

	For the Three-Months Ended Mar 31, 2005	For the Three-Months Ended Mar 31, 2004	For the Six-Months Ended Mar 31, 2005	For the Six-Months Ended Mar 31, 2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss for the period	\$ (84,190)	\$ (183,105)	\$ (252,401)	\$ (494,696)
Items not affecting cash:				
Amortization	564	4,408	4,536	9,253
Stock-based compensation	-	-	55,255	50,418
Disposition of equipment	1,550	-	1,550	50,418
Changes in non-cash working capital items:				
(Increase) decrease in receivables	(26,717)	(4,682)	(9,808)	(71,157)
Decrease in prepaid expenses	10,081	-	32,400	3,092
Increase (decrease) in accounts payable and accrued liabilities	7,800	(41,717)	(393,030)	(21,619)
Net cash used in operating activities	<u>(90,912)</u>	<u>(225,096)</u>	<u>(561,498)</u>	<u>(524,709)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Capital stock issued for cash	-	11,250	-	53,750
Capital lease obligation payments	<u>(1,490)</u>	<u>(1,360)</u>	<u>(2,968)</u>	<u>(2,720)</u>
Net cash provided by financing activities	<u>(1,490)</u>	<u>9,890</u>	<u>(2,968)</u>	<u>51,030</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of equipment	-	-	-	(6,768)
Mineral property	(4,031)	(127,860)	(4,031)	(127,860)
Deferred exploration costs	(7,524)	(122,435)	(157,524)	(270,899)
Amounts (due) received from related parties	<u>85,368</u>	<u>-</u>	<u>74,796</u>	<u>15,000</u>
Net cash used in investing activities	<u>73,813</u>	<u>(250,295)</u>	<u>(86,759)</u>	<u>(390,527)</u>
<b>Change in cash and equivalents during the period</b>	(18,589)	(465,501)	(651,225)	(864,206)
<b>Cash and equivalents, beginning of period</b>	<u>1,415,798</u>	<u>951,848</u>	<u>2,048,434</u>	<u>1,350,553</u>
<b>Cash and equivalents, end of period</b>	<u>\$ 1,397,209</u>	<u>\$ 486,347</u>	<u>\$ 1,397,209</u>	<u>\$ 486,347</u>
<b>Cash paid for interest</b>	<u>\$ 910</u>	<u>\$ 1,040</u>	<u>\$ 1,830</u>	<u>\$ 2,080</u>

**Supplemental disclosure with respect to cash flows (Note 9)**

The accompanying notes are an integral part of these consolidated financial statements.

**MAXIMUS VENTURES LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2005**  
(Unaudited – prepared by management)

**1. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

These unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim period. Operating results for the six month period ended March 31, 2005 are not necessarily indicative of the results that may be expected for the year ending September 30, 2005. These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information and follow the same accounting policies as the annual financial statements. Accordingly, these financial statements should be read in conjunction with the 2004 annual consolidated financial statements and notes thereto.

**2. DUE FROM RELATED PARTIES**

The amounts due from related parties of \$11,822 (September 30, 2004 - \$86,618) are due from companies with a common director for office expense recoveries and recovery of leasehold improvements. The amounts are non-interest bearing, unsecured and with no fixed terms of repayment and accordingly, the fair value cannot be determined.

**3. EQUIPMENT**

	Mar. 31, 2005			Sept. 30, 2004		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Vehicle	\$ -	\$ -	\$ -	\$ 67,800	\$ 22,357	\$ 45,443
Leasehold improvements	-	-	-	6,769	1,128	5,641
	\$ -	\$ -	\$ -	\$ 74,569	\$ 23,485	\$ 51,084

During the current period, the Company wrote-off the leasehold improvements as it is no longer committed to the operating lease agreement for its premises. Also during the period, the Company disposed of its leased vehicle and the related lease obligation to a former director.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**4. MINERAL PROPERTIES**

	Excelsior Springs, Nevada	Hope Bay, Nunavut	Mar 31, 2005 Total	Sept 30, 2004 Total
Balance, beginning of period	\$ -	\$ 195,000	\$ 195,000	\$ 389,442
Additions	4,031	65,000	69,031	387,860
Written-off	-	-	-	(582,302)
Balance, end of period	\$ 4,031	\$ 260,000	\$ 264,031	\$ 195,000

**Hope Bay, Nunavut**

During the current period, the Company issued 500,000 common shares at a deemed value of \$0.13 per share pursuant to an option agreement with Miramar Mining Corporation.

Flow-through funds raised in 2004 in connection with the Hope Bay project were not all expended. Accordingly, as at March 31, 2005, the Company has accrued \$10,772 in interest expense on unspent flow-through funds pursuant to the Canadian Tax Act.

**Esmeralda Gold Project, Nevada**

During the period, the Company entered into an option agreement to acquire 12 unpatented mining claims located in Esmeralda County, Nevada. The terms of the option agreement provide the Company the opportunity to purchase the property for US\$270,000 at the end of the four year period, with an initial payment of US\$3,000, which has been paid and payment of a 2% royalty on gross sales on metals from the property.

**5. DEFERRED EXPLORATION COSTS**

	Mar 31, 2005 Hope Bay, Nunavut	Sept 30, 2004 Total
Balance, beginning of period	\$ 366,357	\$ 99,100
Assaying	-	5,608
Camp costs	-	26,957
Consultants and contractors	7,400	76,298
Drilling	-	443,517
Geodrafting	-	5,649
Geophysics	-	22,500
Land	45,000	-
Project Supervision	-	17,250
Reporting, mapping and database	50,000	35,000
Supplies	55,000	-
Travel	124	4,107
	157,524	636,886
Written-off	-	(369,629)
Balance, end of period	\$ 523,881	\$ 366,357

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**6. CAPITAL LEASE OBLIGATION**

	March 31, 2005	September 30, 2004
Obligation under capital lease with imputed interest at 7.75% per annum over a term expiring July 31, 2006, secured by a leased vehicle	\$ -	\$ 47,967
Less: current portion	-	(5,643)
<b>Balance of obligation</b>	<b>\$ -</b>	<b>\$ 42,324</b>

During the current period, the Company disposed of its leased vehicle and the related lease obligation to a former director.

**7. CAPITAL STOCK AND CONTRIBUTED SURPLUS**

	Number of Shares	Amount	Contributed Surplus
Authorized 100,000,000 common shares without par value			
As at September 30, 2003	9,450,716	\$ 25,229,093	\$ 1,207,098
Shares issued for cash, net	13,383,332	1,809,016	-
Finders fees – private placements	-	(92,886)	92,886
Shares issued for mineral properties	1,600,000	260,000	-
Exercise of warrants	175,000	73,322	(19,572)
Stock-based compensation	-	-	50,418
As at September 30, 2004	24,609,048	27,278,545	1,330,830
Stock-based compensation	-	-	55,255
Shares issued for mineral property	500,000	65,000	-
<b>As at March 31, 2005</b>	<b>25,109,048</b>	<b>\$ 27,343,545</b>	<b>\$ 1,386,085</b>

As at March 31, 2005, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
180,000	0.45	December 4, 2005
500,000	0.12	November 12, 2009

During the period, 1,475,000 stock options exercisable at \$0.30 per share expired unexercised. Also during the period, 75,000 stock options exercisable at \$0.53 per share were forfeited.

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(Unaudited – prepared by management)

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**7. CAPITAL STOCK AND CONTRIBUTED SALES (cont'd...)**

**Warrants**

As at March 31, 2005, the Company had the following share purchase warrants outstanding enabling the holders to acquire additional common shares as follows:

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Number of Shares	Exercise Price	Expiry Date
1,204,500	0.15	September 17, 2005
1,000,000	0.20	September 17, 2006

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During the period, 6,710,000 share purchase warrants exercisable at prices ranging from \$0.20 to \$0.50, expired unexercised.

**8. RELATED PARTY TRANSACTIONS**

The Company entered into the following transactions with related parties:

- a) Paid or accrued consulting fees of \$38,900 (2004 - \$87,000) to companies controlled by a director and a former director.
- b) Paid or accrued management fees of \$67,524 (2004 - \$24,000) to companies controlled by a director and a former director.
- c) Paid or accrued rent expense of \$8,000 (2004 - \$9,000) to a company controlled by a director.

As at March 31, 2005, prepaid expenses included \$Nil (2004 - \$18,000) paid to companies controlled by directors of the Company.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

Significant non-cash transactions for the period ended March 31, 2005 consisted of:

- a. The Company issuing 500,000 common shares pursuant to a mineral property acquisition (Note 5).

There were no non-cash transactions during the period ended March 31, 2004.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**10. SEGMENTED INFORMATION**

The Company has one reportable operating segment being the acquisition and exploration of mineral properties.

The Company's capital assets are located in the following geographic locations:

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	March 31, 2005	September 30, 2004
Canada	\$ 799,734	\$ 612,441
United States	<u>4,031</u>	<u>-</u>
	<u>\$ 804,247</u>	<u>\$ 612,441</u>

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**11. SUBSEQUENT EVENTS**

Subsequent to March 31, 2005, the Company announced a non-brokered private placement which consists of up to 10 million units at \$0.15 per unit. Each unit consists of one common share and one-half of a share purchase warrant. Each warrant entitles the holder to purchase one additional common share at \$0.20 per share for 18 months. A finder's fee will be payable in connection with this transaction.

**MAXIMUS VENTURES LTD.**  
**Management Discussion and Analysis**  
**For the Period Ended March 31, 2005**

The Management's Discussion and Analysis ("MD&A") provides an analysis of the financial results of Maximus Ventures Limited (the "Company") for the period ended March 31, 2005, and compares it with the previous year. In order to better understand the MD&A, it should be read in conjunction with the Consolidated Financial Statements and related notes. The Company's consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and are expressed in thousands of Canadian dollars, except per share amounts. This MD&A is made as of May 20, 2005.

**OVERVIEW**

The Company is primarily engaged in the acquisition and exploration of mineral properties. Its primary asset is an option to earn a 75 percent interest with Miramar Mining Corporation ("Miramar") in two properties in the Hope Bay gold belt in Nunavut. The Company has also conducted field reviews of several early stage gold prospects in the western USA.

**Highlights of Second Quarter**

- Approved 2005 budget for Hope Bay properties of \$2.1 million;
- Exploration activities commenced at Hope Bay in March;
- Signed a letter of intent cover 12 claims on gold property in Nevada.

**Exploration and Acquisition Activities**

During the year ended September 30, 2004, the Company entered into an option agreement with Miramar whereby the Company can earn a 75% in the Eastern Contact and Twin Peaks areas (the "Properties") in the Hope Bay gold belt in Nunavut. Exploration work at the Properties is conducted by Miramar under contract to the Company.

In October, 2004, the Company announced high grade assay results from four drill holes in the Eastern Contact property block at Hope Bay. On February 22, 2005 a formal report summarizing all work completed in 2004 on the Properties was received from Miramar. The report contained recommendations for a 2005 drilling program on both the Eastern Contact and Twin Peaks property blocks. The recommendations for the 2005 exploration work was reviewed and approved by the Company in March 2005.

The Company has conducted field reviews of several early stage gold prospects in the western USA which contain evidence of historic prospecting activities or geologic features indicating potential for gold

**MAXIMUS VENTURES LTD.**  
**Management Discussion and Analysis**  
**For the Period Ended March 31, 2005**

mineralization, but have not been extensively studied or drilled. On March 4, 2005, the Company announced signing of a letter of intent covering 12 claims on a gold property in Esmeralda County, Nevada. Additional claims were being staked at the end of the quarter.

**Results of Operations**

The Company incurred a loss of \$252,401 during the six-month-period ended March 31, 2005, compared to a loss of \$494,696 for the six-month-period ended March 31, 2004. Some of the significant expenses are as follows:

	For the Three Months Ended Mar 31, 2005	For the Three Months Ended Mar 31, 2004	For the Six Months Ended Mar 31, 2005	For the Six Months Ended Mar 31, 2004
<b>EXPENSES</b>				
Consulting	-	50,200	40,220	124,400
Management fees	30,321	12,000	67,524	24,000
Property investigation costs	(10,000)	22,284	(8,872)	104,331
Stock-based compensation	-	-	55,255	50,418
Shareholder and investor relations	9,390	42,464	11,285	72,228

Consulting – With the acquisition of the Hope Bay project in 2004, the Company retained its current consultants to work on this project. In the six-month-period ending March 2004, the Company was very active in acquiring projects of merit. This resulted in a significant expense for consulting during this period.

Management Fees – The increase in management fees for the six-month-period ended March 31, 2005, as compared to the same period in 2004, was related to the contract entered into by the Company with the Company’s President for US\$8,000 per month.

Property Investigation Costs – In the previous comparative period, the Company was actively seeking additional projects of merit in efforts to enhance shareholder value. This resulted in a significant increase during that period. In the current period, the Company recovered a portion of those previous costs incurred, thus the reason for a credit balance in the current three and six month period.

Stock-based Compensation – During both the comparative periods, the Company granted incentive stock options that resulted in a stock-based compensation expense calculated using the Black-Scholes option pricing model. These are non-recurring expenses.

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**Management Discussion and Analysis**  
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Shareholder Information and Investor Relations – This expense decreased significantly in the six-month-period ended March 31, 2005, compared to the same periods in 2004 due to the investor relations contract the Company entered into in the previous period.

*Other Items*

The Company also earned \$6,482 (2004 - \$9,963) in Interest Income during the current period.

**Summary of Quarterly Results**

	Qtr. Ended Mar. 31, 2005	Qtr. Ended Dec. 31, 2004	Qtr. Ended Sept. 30, 2004	Qtr. Ended Jun. 30, 2004
Revenue – interest	\$ 3,012	\$ 3,470	\$ 1,414	\$ 1,175
Loss for the period	(84,190)	(168,211)	(967,714)	(232,309)
Loss per share	(0.01)	(0.01)	(0.10)	(0.02)

  

	Qtr. Ended Mar. 31, 2004	Qtr. Ended Dec. 31, 2003	Qtr. Ended Sept. 30, 2003	Qtr. Ended Jun. 30, 2003
Revenue – interest	\$ 4,266	\$ 5,697	\$ 4,469	\$ 6,327
Loss for the period	(183,105)	(311,591)	(602,282)	(99,129)
Loss per share	(0.02)	(0.02)	(0.10)	(0.01)

**Critical Accounting Estimates**

The most significant estimates are related to the physical and economic lives of mineral assets, and their recoverability.

*Mineral properties and deferred exploration costs*

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which

**MAXIMUS VENTURES LTD.**  
**Management Discussion and Analysis**  
**For the Period Ended March 31, 2005**

have reached the production stage will have a gain or loss calculated based on the portion of that property sold.

The recorded cost of mineral exploration interests is based on cash paid, the assigned value of share considerations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependant on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

The Company defers all exploration expenses relating to mineral properties and areas of geological interest until the properties to which they relate are placed into production, sold, abandoned or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production.

*Property option agreements*

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Because options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received.

*Cost of maintaining mineral properties*

The Company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

*Environmental protection and reclamation costs*

Liabilities related to environmental protection and reclamation costs are accrued and charged to income when their likelihood of occurrence is established. This includes future removal and site restoration costs as required due to environmental law or contracts.

**Liquidity and Capital Resources**

The Company held cash of \$1,397,209, at March 31, 2005, compared to \$2,048,434 held at September 30, 2004. The decrease in cash is mainly attributable to the flow-through funds expended on the Company's Hope Bay project.

The Company's working capital at March 31, 2005 was \$1,329,180 compared to a working capital of \$1,604,325 at September 30, 2004.

**MAXIMUS VENTURES LTD.**  
**Management Discussion and Analysis**  
**For the Period Ended March 31, 2005**

As of March 31, 2005, the Company had 680,000 outstanding share purchase options and 2,204,500 outstanding share purchase warrants (with exercise prices ranging from \$0.15 to \$0.20). During the current period, 1,475,000 stock options exercisable at \$0.30 per share expired unexercised. Also during the current period, 75,000 stock options exercisable at \$0.53 per share were forfeited. Additionally, 6,710,000 share purchase warrants exercisable at prices ranging from \$0.20 to \$0.50, expired unexercised.

**Liabilities and Contingencies**

On September 17, 2004, the Company issued 11,383,332 flow-through common shares at a price of \$0.15 per share and 2,000,000 units at a price of \$0.15 per unit. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable into an additional common share at \$0.20 per share for a two year period. A finder's fee was payable in connection with this transaction consisting of cash consideration totaling \$140,525 and the issuance of 1,204,500 share purchase warrants exercisable into an additional common share at \$0.15 per share for one year period. The Company must incur Canadian exploration expenditures as defined in the Income Tax Act (Canada) in the amount of \$1,707,500 by December 31, 2005.

**Transactions with Related Parties**

During the six-month-period ended March 31, 2005, the Company entered into the following transactions with related parties:

- a) Paid consulting fees of \$22,700 (2004 - \$63,000) to Buccaneer Management Ltd. ("Buccaneer"), a company controlled by a director.
- b) Paid consulting fees of \$7,200 (2004 - \$24,000) to Tabo Investments Ltd. ("Tabo"), a company controlled by a former director.
- c) Paid consulting fees of \$9,000 (2004 - \$Nil) to Barbara Dunfield, a former director of the Company.
- d) Paid management fees of \$8,000 (2004 - \$24,000) to Tabo, a company controlled by a former director.
- e) Paid management fees of \$59,524 (2004 - \$Nil) to Exploration Management LLC, a company controlled by the President of the Company.
- f) Paid rent expense of \$8,000 (2004 - \$9,000) to 641485 BC Ltd., a company controlled by a director.

As at March 31, 2005, prepaid expenses included \$Nil (2004 - \$18,000) paid to Buccaneer, Tabo and 641485 BC Ltd.

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These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**Outlook**

The Company has approved a 2005 budget of \$2.1 million for geologic work, drilling, compilation, and land fees for the Properties at Hope Bay. The budget includes approximately 5,400 meters of diamond core drilling and support costs. Of this total, 2,200 meters of drilling the Eastern Contact area. Eastern Contact drilling will start about April 1, would be completed by mid-May, weather permitting, and would focus on the 2 veins drilled in September 2004. The objective is to establish continuity of the high grade values intersected last year and to begin building resources, both down dip and along strike. Three additional veins have also been identified for drilling. Following spring breakup, an additional 3,200 meters of drilling has been planned for both the Eastern Contact and the Twin Peaks areas. Drill locations will depend on results from the spring drilling at Eastern Contact and from additional mapping and sampling at Twin Peaks.

The Company has sufficient funding for work through about mid-July when the summer drilling program would begin at which time the Company will have to raise additional funds to complete the program. The Company has must incur approximately \$1.3 million in 2005 to satisfy commitments related to flow-through equity raised in September 2004. The 2005 budget of \$2.1 million will fulfill both the flow-through commitment and the option requirement for an aggregate expenditure of \$2.5 million by the end of 2005 to extend the option with Miramar.

**Subsequent Events**

Subsequent to March 31, 2005, the Company announced a non-brokered private placement which consists of up to 10 million units at \$0.15 per unit for total proceeds of approximately \$1.5 million. Each unit consists of one common share and one-half of a share purchase warrant. Each warrant entitles the holder to purchase on additional common share at \$0.20 per share for 18 months. A finder's fee will be payable in connection with this transaction.

**MAXIMUS VENTURES LTD.**  
**Management Discussion and Analysis**  
**For the Period Ended March 31, 2005**

**Other Information**

As of May 20, 2005, the Company has:

- a) 25,109,048 common shares outstanding.
- b) 680,000 stock options outstanding.
- c) 2,204,500 share purchase warrants outstanding.

Additional information is available on SEDAR at [www.sedar.com](http://www.sedar.com)

**Cautionary Statement on Forward Looking Information**

This Management Discussion and Analysis may contain forward-looking statements that involve risks and uncertainties. When used in this Management Discussion and Analysis, the words “believe,” “anticipates,” “expects” and similar expressions are intended to identify such forward looking statements. The Issuer’s actual results may differ significantly from the results discussed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Issuer undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.