Eagle Plains Resources Limited
(A Development Stage Corporation)
Consolidated Financial Statements
For the years ended December 31, 2004 and 2003

Contents

BDO Dunwoody LLP
Chartered Accountants
and Consultants

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Auditors' Report

To the Shareholders of
Eagle Plains Resources Limited

We have audited the consolidated balance sheets of Eagle Plains Resources Limited (a Development Stage Corporation) as at December 31, 2004 and 2003, and the consolidated statements of operations and deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Signed "BDO Dunwoody LLP"

Chartered Accountants

Calgary, Alberta
February 28, 2005

Eagle Plains Resources Limited
(A Development Stage Corporation)
Consolidated Balance Sheets

At December 31		2004		2003
Assets				
Current				
Cash and cash equivalents	$	**4,313,940**	$	712,818
Accounts receivable		**93,829**		13,504
Mineral exploration taxation credits		**32,912**		80,712
		4,440,681		807,034
Long-term investments (Note 3) (Quoted trading prices $1,319,000)		**647,300**		32,500
Property and equipment (Note 4)		**4,208,316**		3,196,184
	$	**9,296,297**	$	4,035,718
Liabilities and Shareholders' Equity				
Current				
Accounts payable and accrued liabilities	$	**192,482**	$	37,446
Future income taxes (Note 10)		**1,675,188**		916,838
		1,867,670		954,284
Equity				
Equity instruments (Note 5(b))		**9,796,316**		4,947,846
Deficit		**(2,367,689)**		(1,866,412)
		7,428,627		3,081,434
	$	**9,296,297**	$	4,035,718

Approved on behalf of the Company:

Signed "Timothy Termuende" Director
Timothy Termuende

Signed "Glen J. Diduck" Director
Glen J. Diduck

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

Eagle Plains Resources Limited
(A Development Stage Corporation)
Consolidated Statements of Operations and Deficit

For the years ended December 31	2004	2003
Revenues		
Geological services	$ 715,138	$ -
Geological expenses		
Services	525,615	-
Amortization	15,045	5,608
Salaries and sub contractors	133,791	103,046
	674,451	108,654
Geological income (loss) before other expenses	40,687	(108,654)
Other expenses		
Administration costs	167,974	94,434
Trade shows, travel and promotion	227,819	72,881
Stock-option compensation expense	475,441	27,400
Mineral properties written down (Note 4 (a))	188,556	325,680
Public company costs	22,598	48,497
Professional fees	74,671	21,410
	1,157,059	590,302
Loss from operations before other income and income tax	(1,116,372)	(698,956)
Other income		
Interest and other	44,449	54
Gain on sale of long-term investments	288,646	-
	333,095	54
Loss before income tax	(783,277)	(698,902)
Future income tax recovery (Note 10)	282,000	111,244
Net loss for the year	(501,277)	(587,658)
Deficit, beginning of year	(1,866,412)	(1,278,754)
Deficit, end of year	$ (2,367,689)	$ (1,866,412)

Net loss per share – basic (i)	$ (0.015)	$ (0.024)
Weighted average number of shares - basic	34,478,072	24,160,358

(i) Diluted loss per share has not been disclosed as such would be anti-dilutive.

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

Eagle Plains Resources Limited
(A Development Stage Corporation)
Consolidated Statements of Cash Flows

For the years ended December 31	2004	2003
Cash flows from operating activities		
Net loss for the year	**$ (501,277)**	$ (587,658)
Charges to operations not requiring a cash payment:		
Amortization	**15,045**	5,608
Mineral properties written down	**188,556**	325,680
Stock-option compensation expense	**475,441**	27,400
Gain on sale of investments	**(288,646)**	-
Future income tax	**(282,000)**	(111,244)
	(392,881)	(340,214)
Net change to non-cash working capital balances		
Accounts receivable	**(80,325)**	(6,300)
Mineral exploration taxation credits	**47,800**	(26,024)
Accounts payable and accrued liabilities	**155,036**	29,039
	(270,370)	(343,499)
Cash flows from financing activity		
Issue of equity instruments (net)	**5,413,380**	1,331,096
Cash flows from investing activities		
Purchase of equipment	**(61,060)**	(69,144)
Proceeds on disposition of investments	**371,196**	-
Mineral exploration tax credit	**-**	70,333
Development of mineral properties (Note 11 (b))	**(1,852,024)**	(349,634)
	(1,541,888)	(348,445)
Increase in cash and cash equivalents	**3,601,122**	639,152
Cash and cash equivalents, beginning of year	**712,818**	73,666
Cash and cash equivalents, end of year	**$ 4,313,940**	$ 712,818

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

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.

2. Significant Accounting Policies – continued

d) Equipment
Equipment consists of computers 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:

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 December 31, 2004, the Company held cashable guaranteed investment certificates (GIC's) bearing interest rates from 1.25% to 2.54% with maturity terms of January 4, 2005 to February 1, 2005. All of these GIC's are cashable before maturity and have been treated as cash equivalents.

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.

2. Significant Accounting Policies – continued

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.

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 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

	2004	**Quoted Market Price [1]**	2003	Quoted Market Price [1]
900,000 (2003 – 400,000) common shares of Northern Continental Resources Inc.	**$ 240,250**	**$ 558,000**	$ 20,000	$ 44,000
60,000 common shares of NovaGold Resources Inc.	**259,200**	**561,000**	-	-
100,000 common shares of Kobex Resources	**54,000**	**103,000**	-	-
250,000 (2003 – 250,000) common shares of Golden Cariboo Resources Ltd	**12,500**	**16,250**	12,500	31,250
180,000 common shares of Shoshone Silver Mining	**81,350**	**80,750**	-	-
	$ 647,300	**$1,319,000**	$ 32,500	$ 75,250

3. Long-Term Investments - continued

[(1)] Quoted trading prices are based on the last traded price of the security or closest to at December 31, 2004. 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.

4. Property and Equipment

	2004 Cost	2004 Accumulated Amortization	2003 Cost	2003 Accumulated Amortization
Mining exploration properties	**$ 4,090,012**	**$ -**	$ 3,123,894	$ -
Computer equipment & software	**50,017**	**21,815**	27,990	16,006
Equipment and furniture	**92,890**	**14,614**	67,360	7,054
Leasehold Improvements	**13,501**	**1,675**	-	-
	156,408	**38,104**	95,350	23,060
	$ 4,246,420	**$ 38,104**	$ 3,219,244	$ 23,060
Net book value	**$ 4,208,316**		$ 3,196,184	

a) **Mining exploration properties**
During 2004, the Company expended $1,154,674 (2003 - $274,298) net of grants, option payments, and mineral tax credits of $32,912 (2003 - $80,712), on the exploration and development of their mineral properties, of which $1,057,944 (2003 - $229,045) was expended in B.C., $55,702 (2003 - $6,463) in the Northwest Territories and $41,028 (2003 – expenditure of $38,790) in the Yukon. These expenditures were funded through the issuance of shares pursuant to flow through share agreements, private placements and through Mining Exploration Tax Credits and other government incentives.

In 2004, the Company wrote down $188,556 (2003 - $146,876) of mineral properties in British Columbia and $Nil (2003 - $178,804) of mineral properties in the Yukon as the Company does not have intentions of pursuing further exploration of these particular properties.

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 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.

4. Property and Equipment - continued

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. During 2004, of the total 900,000 common shares held, the Company received 400,000 common shares from Northern Continental Resources and sold 200,000 in 2004, resulting in 600,000 (2003 - 400,000) common shares owned by the Company at December 31, 2004 (Note 3). The remaining 300,000 commons shares of Northern Continental relate to the LCR property (Note 4 (h)). Fieldwork and a drilling program are to commence in February 2005.

c) **Acacia Property:** On December 20, 2004, the Company announced that it had 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) 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.

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 December 31, 2004 and 2003 (Note 3).

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

4. Property and Equipment - continued

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.

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:

Option Payments	Exploration Expenditures	Due Date
$ 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
90,000	200,000	May 30, 2008
$250,000	$ 500,000	

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.

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.

During 2004, the Company received 100,000 SpectrumGold shares which were subsequently exchanged for 74,074 NovaGold shares, of which 14,074 shares were disposed of during 2004 (Note 3).

4. Property and Equipment - continued

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.

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:

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

Pursuant to this option agreement, the Company issued 100,000 common shares to the property owner valued at $15,000 (Note 5(b)).

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 an additional 300,000 common shares of Northern Continental (Note 4 (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.

j) **Sprogge Project:** On March 1, 2002, the Company entered into an option agreement to earn a 100% interest, subject to a 2% net smelter return royalty, in the property through option payments and exploration expenditures as detailed below:

Option Payments	Exploration Expenditures	Due Date
$ 5,000	$ -	March 1, 2003 (Paid)
6,500	-	March 1, 2004 (Paid)
20,000	100,000	March 1, 2005
40,000	100,000	March 1, 2006
60,000	100,000	March 1, 2007
80,000	200,000	March 1, 2008
$211,500	$ 500,000	

4. Property and Equipment - continued

j) **Sprogge Project - continued**
Pursuant to this option agreement, the Company has committed to make $15,000 annual advanced royalty payments to the property owner commencing March 1, 2011 until commencement of commercial production. The advanced royalty payments will be netted against royalty interest payments after the commencement of commercial production.

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:

Option Payments	Due Date
$ 5,000	December 31, 2003 (Paid)
7,000	December 31, 2004 (Paid)
10,000	December 31, 2005
15,000	December 31, 2006
35,000	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 (Note 3). Kobex terminated the option agreement subsequent to conducting an exploration program.

Subsequent to year end, the Company signed a letter of intent with Canadian Goldrush Corporation (“Canadian Goldrush”) whereby Canadian Goldrush will 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. An additional $10,000 will be paid upon executing the option agreement along with the issuance of 100,000 shares. Details of the option agreement are yet to be negotiated.

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 by the Company subsequent to year end.

5. 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

	2004		2003	
	Number of Shares		Number of Shares	
Common Shares				
Balance, beginning of year	**27,492,130**	**$ 4,802,546**	21,823,130	$ 3,634,269
Issued flow through shares for cash	**4,108,466**	**2,704,750**	2,419,000	777,300
Issued for cash via private placement	**5,736,332**	**2,724,549**	2,800,000	388,300
Issued upon exercise of Agent's options	**29,568**	**14,784**	-	-
Issued in exchange for mineral claims	**-**	**-**	150,000	27,500
Issued for cash on exercise of warrants	**1,000,000**	**300,000**	300,000	58,050
Share issue costs (net of tax effect of $179,650)		**(519,954)**	-	(10,454)
Tax effect on renounced expenditures	**-**	**(1,220,000)**	-	(72,419)
Value of warrants issued (Note 5 (e)), net of exercises	**-**	**(923,200)**	-	-
Reclassifications	**-**	**46,000**	-	-
Issued for cash on exercise of options	**1,430,000**	**143,000**	-	-
Balance, end of year	**39,796,496**	**$ 8,072,475**	27,492,130	$ 4,802,546
Options				
Balance, beginning of year	**2,453,418**	**$ 27,400**	1,988,418	$ -
Granted – agent (Note 5 (d))	**842,551**	**191,600**	-	-
Granted – employees (Note 5 (d))	**2,065,000**	**475,441**	-	-
Exercised	**(1,459,568)**	**(16,000)**	-	-
Expired	**(75,000)**	**-**	465,000	27,400
Balance, end of year	**3,826,401**	**$ 678,441**	2,453,418	$ 27,400
Warrants				
Balance, beginning of year	**3,960,000**	**$ 117,900**	2,420,000	$ -
Issued in flow through shares (Note 5 (e))	**2,510,166**	**896,900**	1,160,000	26,200
Issued in private placement (Note 5 (e))	**358,000**	**26,300**	2,800,000	91,700
Issued to Agent	**125,000**	**16,300**	-	-
To be issued to Agent	**-**	**18,000**		
Expired	**-**	**-**	(2,120,000)	-
Exercised	**(1,000,000)**	**(30,000)**	(300,000)	-
Balance, end of year	**5,953,166**	**$ 1,045,400**	3,960,000	$ 117,900
Total equity instruments		**$ 9,796,316**		$ 4,947,846

In 2004, the future tax effect of $1,220,000 (2003 - $72,419) was reduced by $568,050 (2003 - $Nil) for a reduction in future tax liability due to the reduction of certain tax pools.

At December 31, 2004, the Company is committed to incur $1,756,373 (2003 - $629,500) in mining expenditures on a flow through basis prior to December 31, 2005.

5. Equity Instruments – continued

c) Directors and management share options

The Company has a stock option plan for employees, directors, officers and consultants. Stock option 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.

As at December 31, 2004, the Company has 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 - $0.30**	**$0.13**
Options - granted	**2,907,551**	**$0.50 - $0.65**	**$0.52**
Options – exercised	**(1,459,568)**	**($0.10 - $0.30)**	**($0.13)**
Options - expired	**(75,000)**	**($0.10 - $0.30)**	**($0.13)**
Options outstanding, December 31, 2004	**3,826,401**	**$0.10 - $0.65**	**$0.45**

As at December 31, 2003, the Company had the following stock options outstanding:

	Number of Shares	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding, December 31, 2002	1,988,418	$0.10	$0.10
Options - granted	465,000	$0.20 - $0.30	$0.25
Options outstanding, December 31, 2003	2,453,418	$0.10 - $0.30	$0.13

The following table summarized information about the stock options outstanding at December 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
713,418	**$0.10**	**$0.10**	**2.7 years**	**713,418**	**$0.10**
300,000	**$0.25**	**$0.25**	**3.3 years**	**300,000**	**$0.25**
10,000	**$0.20**	**$0.20**	**3.4 years**	**10,000**	**$0.10**
55,432	**$0.50**	**$0.50**	**4.1 years**	**55,432**	**$0.50**
755,000	**$0.50**	**$0.50**	**4.2 years**	**755,000**	**$0.50**
50,000	**$0.50**	**$0.50**	**4.5 years**	**50,000**	**$0.50**
750,000	**$0.50**	**$0.50**	**4.8 years**	**750,000**	**$0.50**
753,051	**$0.75**	**$0.75**	**1.3 years**	**753,051**	**$0.75**
350,000	**$0.65**	**$0.65**	**4.8 years**	**80,000**	**$0.65**
89,500	**$1.00**	**$1.00**	**1.0 year**	**89,500**	**$1.00**
3,826,401		**$0.45**		**3,556,401**	**$0.45**

5. Equity Instruments – continued

The following table summarized information for the stock options outstanding at December 31, 2003:

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	3.8 years	1,988,418	$0.10
300,000	$0.25	$0.25	4.3 years	300,000	$0.25
65,000	$0.10	$0.10	3.8 years	65,000	$0.20
100,000	$0.20	$0.20	4.8 years	100,000	$0.30
2,453,418		$0.19		2,453,418	$0.13

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(j). Compensation expense has been determined based on the estimated fair value of the options at the grant dates.

For options issued in 2004, the fair value of stock options was estimated using the Black-Scholes option-pricing model with the following assumptions: Dividend yield Nil (2003 – Nil), expected volatility 61% (2003 – 10%); risk-free interest rate 3.5% (2003 – 5%); and weighted average life of 5 years (2003 - 5 years).

As at December 31, 2004, $475,441 (2003 – $27,400) has been recorded as stock based compensation related to the options issued to employees with the corresponding amount charged to share capital.

As at December 31, 2004, $320,200 has been included in the share issue costs, with the corresponding amount charged to Options for the options issued to the agent above. The fair value was determined using the Black-Scholes model assuming a risk-free interest rate of 3.5% and an expected volatility rate of 61%.

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%.

For the year ended December 31, 2004, $1,077,200 (2003 - $Nil) of the monies raised has been allocated to these share purchase warrants with the corresponding amount charged to share capital.

At December 31, 2004, the Company has the following share purchase warrants outstanding:

Total issued and outstanding	**Expiry**	**Number**	**Price**
Balance, December 31, 2003	Feb. 2004 to Sept. 2005	3,960,000	$0.20-$0.35
Issued January, 2004	April 2005/March 2006	2,510,166	$1.00
Issued December, 2004	December 2005	358,000	$1.00
Issued December, 2004	December 2005	125,000	$0.75
Exercised February 2004	February 2004	(1,000,000)	($0.30)
Balance, December 31, 2004		**5,953,166**	
To be issued	January 2006	251,017	$1.00
To be issued	December 2005	44,750	$1.00
		6,248,933	**$0.20-$1.00**

5. Equity Instruments – continued

e) Warrants outstanding - continued

Subsequent to year end, 1,160,000 warrants were exercised at a price of $0.20 for net proceeds of $232,000.

As at December 31, 2003, the Company has the following share purchase warrants outstanding:

Issued	Expiry	Number	Price
February, 2003	February, 2005	1,160,000	$0.20
February, 2003	February, 2004/2005	600,000	$0.30/$0.35
September, 2003	September, 2005	2,200,000	$0.30
Total issued and outstanding, at December 31, 2003		3,960,000	

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.

6. Related Party Transactions

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

a) Included in mining exploration expenses are administrative and geological fees paid to Toklat Resources Limited, a company controlled by the president, of $Nil (2003 - $15,502).

b) Included in flow-through shares issued in the year, are 230,000 (2003 – 1,160,000) shares purchased by the Company's officers and persons related to them, in the amount of $165,000 (2003 - $174,000).

c) In 2004, of the 5,765,900 shares issued via private placement, 50,000 shares were issued to a director of the Company. In 2003, of the 2,800,000 shares issued via private placement, 1,430,000 shares were issued to officers and directors of the Company.

d) In September 2003, the Company purchased equipment from Toklat Resources Inc., a company controlled by the president, for $49,600. The transaction was recorded at the agreed to exchange amount, which approximates fair value.

e) During 2004, director fees were paid in the amount of $30,000 (2003 - $Nil).

f) In 2004, of the 1,459,568 shares issued for options exercised, 775,000 shares were issued to officers and directors of the Company.

6. Related Party Transactions - continued

g) Included in general administrative expenses is $28,936 (2003 - $5,000) paid for accounting services 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.

7. Asset Retirement Obligation

At December 31, 2004 and 2003, 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.

8. Commitments and Contingent Liabilities

As detailed in Note 4, 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).

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.

8. Commitments and Contingent Liabilities - continued

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.

9. Financial Instruments

As disclosed in Note 2 (f), 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 December 31, 2004 and 2003, 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.

10. Income Taxes

The effective tax rate of income tax varies from the statutory rate as follows:

	2004	2003
Combined tax rates	**36%**	41%
Expected income tax provision at statutory rate	**$ (281,980)**	$ (290,883)
Stock-compensation	**171,159**	11,234
Gain on sale of long-term investments	**(53,091)**	-
Loss on abandonment of mineral properties	**67,880**	137,832
Rate change	**(111,810)**	(22,753)
Change in valuation allowance	**(75,143)**	75,411
Other permanent differences	**985**	(22,085)
	$ (282,000)	$ (111,244)

At the end of the period, subject to confirmation by income tax authorities, the Company has approximately the following undeducted tax pools:

	2004	2003
Undepreciated capital cost	**$ 149,400**	$ 94,305
Cumulative eligible capital	**16,770**	18,033
Non-capital losses carried forward for tax purposes available From time to time until 2010	**664,700**	1,040,850
Cumulative Canadian exploration expenses	**764,000**	763,972
Cumulative Canadian development expenses	**-**	121,030
Undeducted share issue costs carried forward	**412,400**	21,857
	$ 2,007,270	$2,060,047

These pools are deductible from future income at rates prescribed by the Canadian Income Tax Act.

The components of the Company's future income tax liability are a result of the origination and reversal of temporary differences and are comprised of the following:

Nature of temporary differences	2004	2003
Property and equipment	**$ (1,823,688)**	$ (924,343)
Unused tax losses carry forward	**240,000**	366,143
Share issue costs	**148,500**	7,505
Future income tax liability	**(1,435,188)**	(550,695)
Valuation allowance	**(240,000)**	(366,143)
	$ (1,675,188)	$ (916,838)

11. Statement of Cash Flow

a) During 2004, pursuant to option agreements, the Company issued Nil (2003 - 150,000) common shares to the property owners with an attributed value of $Nil (2003 - $27,500). Financing activities do not reflect the issue of these shares.

b) During 2004, pursuant to certain mineral property option agreements, the Company received 1,640,000 (2003 - 650,000) shares with an attributed value of $697,350 (2003 - $32,500). Investing activities do not reflect the purchase of these long-term investments or the reduction of mineral properties (Note 3).

December 31, 2004 and 2003

	December 31, 2003	Acquisition and Expenditures	Abandoned (Recovered)	**December 31, 2004**
British Columbia Acquisition and Exploration	$ 1,780,125	$ 1,057,944	$ (193,808)	**$ 2,644,261**
NW Territories Acquisition and Exploration	37,407	55,702	-	**93,109**
Yukon Acquisition and Exploration	1,306,362	41,028	5,252	**1,352,642**
	$ 3,123,894	$ 1,154,674	$ (188,556)	**$ 4,090,012**

	Gross Hectares
BRITISH COLUMBIA	
2,560 claims	94,425
NORTHWEST TERRITORIES	
49 claims	1,023
YUKON	
572 claims	13,512
Gross hectares	108,960

Management Discussion and Analysis
Year end and Fourth Quarter, 2004

Management's discussion and analysis ("MD&A") provides a discussion of the Company's financial and operating results for the quarter and the year ended December 31, 2004 with comparisons to previous quarters. This MD & A should be read in conjunction with the consolidated financial statements and accompanying notes.

YEAR'S HIGHLIGHTS

2004 was a very important year in the development of Eagle Plains "EPL". Metal prices, favourable government policies and a general rise in speculative markets all combined to position EPL for continued rapid growth in the coming years.

Extraordinary success with a diamond-drilling program at Copper Canyon helped to raise the public profile of Eagle Plains, while a significant increase in exploration activity at the Kalum, Bohan, Iron Range and other projects throughout the Company's areas of operation have enhanced share prices and advanced the potential for future discoveries.

This increase in exploration spending has been coupled with a greater focus by the Company on marketing efforts, resulting in a substantial rise in market capitalization and a marked increase in public awareness of the Company and its activities.

This general increase in performance and activity has necessitated the expansion of both staff and office space. Through Bootleg Exploration Inc. (a wholly-owned subsidiary), Eagle Plains had 6 full-time employees at year-end. It is expected that this number will continue to grow in the coming year.

Quarterly results

BC Fieldwork:

During the period October 01 – December 31 2004, Eagle Plains, through its wholly owned subsidiary, Bootleg Exploration Inc., carried out exploration work on a number of British Columbia projects. Fieldwork, including diamond drilling, was completed on the **Kalum** (gold, silver) near Terrace BC. 19 holes were completed for a total of 6,421' (1,958m) on four separate target areas. Analytical results for the drilling were also received during the quarter, confirming the presence of widespread gold mineralization on the property. In southeastern B.C., diamond drilling was undertaken on the **Bohan** (lead, zinc, silver) and **Iron Range** (copper-gold-lead-zinc-silver) projects. On the **Bohan** property, four holes were completed for a total of 1,713' (522.3m) and 3 holes were completed on the Iron Range for a total of 1,870' (570.4m). Also in the Kootenays, grassroots fieldwork was completed on the **Cretin** (gold). Additional staking was completed in the areas of the **Bohan** and **Bootleg** (lead-zinc-silver) projects.

Yukon/NWT Fieldwork:

No fieldwork in the NWT or Yukon was completed during the quarter.

Investor Relations:

The Company renewed the contract with A. Schwab & Associates to perform investor relations services for an additional six-month term. Under the agreement 50,000 options will be issued to A. Schwab at $0.65 per share for a 5-year period. 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 will be issued to Gibson, exercisable at a price of $.65 per share for a 5 year period, and vesting quarterly over a 12 month period.

Financial:

In January of 2004 the company incorporated a wholly owned subsidiary, Bootleg Resources Inc., to conduct exploration activities on its mineral properties and provide similar geological services to independent third parties, some of whom have optioned properties from Eagle Plains.

Financial Position

Eagle Plains ended the year in a very healthy financial position with working capital of $ 4250,000.Cash and equivalents were$ 4,300,000 and the investment portfolio recorded at a cost of $ 647,000 had a quoted trading price value of $ 1,300,000. This compared to a cash and investment position of $ 740,000 the previous year.

During the year two financings were undertaken. $ 5,400,000 was raised from the issuance of 4.1 million flow through and 5.7 million non flow through shares. $ 457,000 was raised from the exercise of 1 million warrants and 1.5 million options.

The company invested $ 1,950,000 in mineral exploration properties and received $ 750,000 in the form of shares and cash on option deals and $ 40,000 in grants and tax credits.

Outstanding Shares

At year end the company had outstanding 39,796,496 common shares, 5,953,166 warrants and 3,826,401 options. Fully diluted there would be 49,576,063 shares outstanding.

Asset Retirement Obligations

The Company has adopted the new standard of accounting for asset retirement obligations, (ARO) and applied it on a retroactive basis. 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. No adjustment was considered necessary on either a retroactive basis nor for the current year.

Operations

The December 31, 2004 consolidated financial statements include the activities of Bootleg Resources and reflect the generation of $ 715,000 in geological services revenue and $ 674,000 in expenses for a net of $ 40,000 as earned by Bootleg.

Other expenses doubled in total over the previous year reflecting the increased activity of the company, the increased costs required to maintain a public company and the application of certain accounting standards. Of the increase in expenses from $ 590,000 to $ 1,157,000 the application of the Black Scholes method of accounting for stock options amounted to $ 475,000. Mineral properties on which the company has no intention of conducting additional exploration in the near future have been written down by $ 188,000.

Of the mineral properties acquired by Eagle Plains, some are optioned to third parties. As part of the option agreement, Eagle Plains regularly negotiates some form of compensation in recognition of the investment made in the properties, in addition to a work commitment. Over the past few years that compensation has been in the form of shares in the acquiring company. These shares are recorded at market less a 15% discount under long-term investments with an offsetting reduction in the cost of mineral properties. When these investments are sold the company may realize a gain or a loss. During the year the company recognized a gain amounting to $ 288,000 from the disposition of certain long-term investments. Management regularly reviews the market value and the economic conditions of these investments in determining whether to hold or sell.

After provision for a recovery of future income taxes in the amount of $ 282,000, the company realized a loss of $ 500,000 compared to $ 587,000 in the previous year.

<u>Quarterly Results</u>

During the fourth quarter the Company netted $ 1,655,328 from the issuance of 1,598,250 flow-through shares and 716,000 non flow-through shares. As part of the financing 358,000 warrants were issued exercisable at $1.00 and 125,000 warrants were issued exercisable at $0.75. 809,568 options and 39,856 warrants were exercised netting the company $117,032.

350,000 options were issued to the Company's employees and consultants exercisable at $0.65. resulting in a charge of $ 272,839 to the stock option expense account utilizing the "Black Scholes" calculation to record the issued options.

The Company received 90,000 shares from Shoshone Silver Ltd. as part of the Blende agreement. These were recorded at $.41 for a value of $31,350 which is based on a 15% discount from the fair market value on the date of receipt and converted to Canadian funds using the Bank of Canada exchange rate of $1.2034. 10,000 of the shares previously recorded as received were transferred to B. Kreft (the originator of the project) as part of the agreement. At December 31,2004 the company owned 180,000 Shoshone shares.

Eagle Plains also received 200,000 shares of Northern Continental Resources as part of the Abo agreement. These were recorded at $ 0.51 for a value of $102,000 also based on a 15% discount from the fair market value on the date of receipt. In addition, the Company received 200,000 shares of Northern Continental Resources as part of the LCR Agreement and recorded these at $ 0.51 for a value of $ 102,000. These values approximated fair market value on receipt of the shares. The company disposed of 300,000 shares for a gain of $ leaving the company with 900,000 shares of Northern Continental on December 31,2004.

The company sold 5,000 shares of NovaGold Resources Inc for a gain of $ 22,250. Subsequent to year-end the company received an additional 74,074 of NovaGold Resources as part of the Copper Canyon agreement.

Year to date, the Company has expended a total of $ 1,962,858 on its properties with $ 449,852 being expended in the fourth quarter. Grants and option payments have reduced the amount capitalized by $ 808,179 year to date and $ 290,192 in the fourth quarter. In the fourth quarter the company wrote down $ 188,500 in mineral properties in acknowledgement that no further work was planned for those properties.

The company incurred a consolidated loss of $ 275,818 for the quarter compared to a loss of $130,308 in the previous quarter. Year to date the consolidated loss was $ 501,277.

As the exploration season wound down, activities within the companies wholly owned subsidiary, Bootleg Resources were minimal.

General and administrative expenses decreased to $ 72,554 from $ 112,509 in the previous quarter. The company continued its pursuit of an aggressive investor relations program with the hiring of an investor relations individual as previously announced and increased spending on the dissemination of information to shareholders and investors.

Related Party Transactions

During the quarter directors, officers and employees of the company exercised 780,000 options for net proceeds of $ 78,000.

Summary of Quarterly Results

Year	2004	2004	2004	2004	2003	2003	2003	2003
	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun	31-Mar
Total Assets	9,296,297	8,298,702	7,698,182	7,656,374	4,035,718	3,824,105	3,541,148	3,568,702
Mineral Properties	4,090,012	3,879,387	3,493,516	3,056,734	3,123,894	3,484,368	3,282,536	3,206,578
Working Capital	4,248,199	3,317,524	3,561,818	3,971,080	769,588	222,775	160,752	326,514
Revenues	97,001	693,026	238,000	206	28	-	-	24
Net Profit (Loss)	(275,818)	12,726	(99,217)	(138,968)	(355,932)	(65,082)	(81,415)	(85,231)
Gain (Loss) per Share	(0.0070)	(0.0036)	(0.0057)	(0.0046)	(0.0147)	(0.0025)	(0.0035)	(0.0036)

For full financial details, readers are advised to reference the annual audited consolidated financial statements and notes as prepared by management and reported on by BDO Dunwoody LLP.

Commitments

Under the terms of flow through share offerings, the company is committed to spend $ 1,756,000 by December 31,2005.

Concluding Remarks

2005 is expected to be a very active year for Eagle Plains. The Company expects to see 8-10 drill programs during the year, resulting in 20,000'-30,000' of diamond-drilling and up to $4,000,000 in exploration spending on its projects. Drilling activity commenced in March of 2005, and is expected to continue throughout the year on any one of the Company's many projects.

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.Geo.
President and CEO