MBA Gold Corp.
847 Hamilton St.
Vancouver, B.C.
Canada V6B 2R7
p: 604.707.0373
f: 604.707.0378

Financial Statements of

MBA GOLD CORP.

October 31, 2004

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the period ending October 31, 2004

MBA GOLD CORP.

(a development stage company)

Consolidated Statements of Loss and Deficits

(Unaudited – Prepared By Management)

		Oct 31, 2004		January 31, 2004
ASSETS				
CURRENT				
Cash	**$**	**5,190**	$	68,904
Accounts receivable		**6,468**		33,623
Prepaid expenses and deposits		**1,985**		1,985
		13,643		104,512
DEFERRED EXPLORATION COSTS		**979,239**		898,247
RESTRICTED CASH		**109,863**		118,674
PLANT AND EQUIPMENT		**19,350**		22,984
INVESTMENT		**-**		1
	$	**1,122,095**	$	1,144,418
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	**$**	**93,883**	$	71,189
Due to shareholder		**25,000**		-
		118,883		71,189
SHAREHOLDERS' EQUITY				
Contributed surplus		**20,640**		20,640
Common shares		**10,140,155**		9,914,704
Treasury stock		**(40,928)**		(40,928)
Deficit		**(9,116,655)**		(8,821,187)
		1,003,212		1,073,229
	$	**1,122,095**	$	1,144,418

CONTINUING OPERATIONS (Note 1)

(signed) "Cameron White"

(signed) "Tim Gamble"

See accompanying notes to the consolidated financial statements

MBA GOLD CORP.

(a development stage company)

Consolidated Statements of Loss and Deficits

(Unaudited – Prepared By Management)

	3 months ended October 31,		9 months ended October 31,	
	2004	2003	**2004**	2003
EXPENSES				
Accounting and audit	**1,125**	$ 7,276	**$ 20,562**	$ 13,305
Amortization	**1,632**	1,192	**5,119**	1,192
Wages, benefits and consulting	**20,848**	29,000	**59,171**	47,100
Investor relations	**3,833**	43,094	**34,405**	43,451
Legal	**6,423**	15,203	**11,420**	16,140
Office	**2,914**	44,718	**24,342**	65,419
Rent	**5,463**	2,531	**16,388**	6,036
Project investigation fees	**32,303**	-	**97,197**	-
Transfer agent and filing fees	**4,139**	8,285	**18,052**	38,965
	78,680	151,299	**286,656**	254,290
OTHER				
Foreign exchange loss	**8,811**	25,234	**8,811**	25,234
Interest income	**-**	(2,552)	**-**	(2,552)
	8,811	22,682	**8,811**	22,682
NET LOSS	**(87,491)**	(173,981)	**(295,467)**	(254,290)
DEFICIT, BEGINNING OF THE YEAR	**(9,029,164)**	(8,498,749)	**(8,821,188)**	(8,418,440)
DEFICIT, END OF THE YEAR	**(9,116,655)**	(8,672,730)	**(9,116,655)**	(8,672,730)
BASIC AND DILUTED LOSS PER SHARE	**(0.01)**	(0.02)	**(0.02)**	(0.03)
WEIGHTED-AVERAGE NUMBER OF SHARES OUTSTANDING	**12,867,115**	7,435,250	**12,867,115**	7,435,250

MBA GOLD CORP.

(a development stage company)

Consolidated Statements Cash Flows

(Unaudited – Prepared By Management)

	3 months ended October 31,		9 months ended October 31,	
	2004	2003	**2004**	2003
OPERATING ACTIVITIES				
Net loss	**$ (87,491)**	$ (173,981)	**$ (295,467)**	$ (254,290)
Items not involving cash				
Amortization	**1,632**	1,192	**5,119**	1,192
Investment write off	**1**		**1**	
Changes in non-cash operating assets and liabilities				
Accounts receivable	**4,782**	(41,939)	**27,155**	(46,593)
Prepaid expenses and deposits	**-**	27,353	**-**	20,353
Accounts payable and accrued liabilities	**35,230**	150,942	**22,694**	148,903
	(45,846)	(36,433)	**(240,498)**	(130,435)
FINANCING ACTIVITIES				
Issue of shares for cash, net of costs	**-**	(10,700)	**225,450**	1,119,830
Exercise of warrants for cash	**-**	5,750	**-**	5,570
Shareholder loan	**25,000**		**25,000**	
	25,000	(4,950)	**250,450**	1,125,580
INVESTING ACTIVITIES				
Deferred exploration costs	**(32,901)**	(424,904)	**(80,992)**	(698,276)
Restricted cash	**8,811**		**8,811**	
Capital assets	**-**	(26,920)	**(1,485)**	(26,920)
	(24,090)	(451,824)	**(73,666)**	(725,196)
NET CASH FLOW (OUTFLOW)	**(44,936)**	(493,207)	**(63,714)**	269,949
CASH (BANK INDEBTEDNESS), BEGINNING OF PERIOD	**50,126**	771,807	**68,904**	8,651
CASH (BANK INDEBTEDNESS), END OF PERIOD	**5,190**	278,600	**5,190**	$ 278,600

1. CONTINUING OPERATIONS

The Company has interests in mining assets at the exploration stage, the economic viability of which has not been assessed. The realization of the Company's investment in mineral properties is dependent upon various factors, including the existence of economically recoverable mineral reserves, the ability to obtain the necessary financing to complete the exploration and development of the properties, future profitable operations, or, alternatively, upon disposal of the investment on an advantageous basis.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. Realization values of assets may be substantially different from the carrying values as shown in these financial statements should the Company be unable to continue as a going concern.

2. FINANCIAL STATEMENT PRESENTATION

These financial statements are prepared for interim reporting purposes and do not necessarily contain all the Company's financial information. Readers are advised to refer to the Company's annual audited financial statements for the year ended January 31, 2004.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant policies outlined below.

(a) Basis of presentation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary. All intercompany transactions and balances have been eliminated upon consolidation.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities at the date of the financial statements and for the periods presented. Estimates are used for, but not limited to, accounting for doubtful accounts, income taxes, the carrying value of long-lived assets, and contingencies. Actual results may differ from those estimates.

(c) Deferred exploration costs

Costs of acquiring mining properties and all exploration costs less related recoveries are capitalized.

The costs of properties, which are abandoned or impaired in value, are written down in the year of abandonment or impairment. Upon commencement of commercial production, all related deferred acquisition, exploration and development expenditures will be amortized and matched with future revenues.

The amounts capitalized represents costs to be charged to operations in the future and do not necessarily reflect the present or future values of the particular properties.

(d) Plant and equipment

Computer, furniture and equipment are recorded at cost and are amortized using the declining balance method at 30% per annum. Leasehold improvements are amortized on a straight-line basis over five years. Plant and equipment are amortized at one half the amortization rate, in year of acquisition.

(d) Stock options

The Company has adopted the standard in CICA Section 3870, Stock-based Compensation and Other Stock-based Payments, for accounting stock options. Stock-based awards made to non-employees are measured and recognized using the fair value of the stock options at the date of grant. For stock options granted to employees, the Company has adopted the disclosure-only provisions of the new standard whereby pro forma net income and pro forma earnings per share are disclosed in Notes 7(d) to the financial statements as if the fair value based method of accounting had been used.

(e) Share issue costs

Direct costs relating to the issuance of shares are charged directly to share capital.

(f) Foreign exchange

The accounts of the Company are expressed in Canadian dollars. Foreign currency monetary assets and liabilities are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Other balance sheet items were translated into Canadian dollars at the exchange rate in effect on the respective transaction dates. Translation gains and losses relating to monetary items included in operations.

(g) Income (loss) per share

Income (loss) per share is calculated using the weighted-average number of common shares outstanding during the year. The treasury stock method is used in the calculation of diluted earnings per share. Diluted earnings per share are computed using the weighted-average number of common and common equivalent shares outstanding during the year. Common equivalent shares consist of the incremental common shares exercisable upon the exercise of stock options and are excluded from the computation if their effect is anti-dilutive.

(h) Comparative figures

Comparative figures have been reclassified, where applicable, to conform to the current period's presentation.

4. DEFERRED EXPLORATION COSTS

Worldbeater Gold Project

The Company has acquired an option from Compass Minerals NL, NSW, Australia ("Compass") to acquire up to a 60% interest in the Worldbeater Gold Project. The Worldbeater Gold Project is located in the Panamint Ranges, near Ballarat, Inyo County California. The Company earned has earned a 30% interest in the project by carrying out an exploration program of U.S. $500,000. A further 30% interest can be earned by completing a pre-feasibility study on the property on or before September 30, 2004 provided that this date can be extended if additional exploration is warranted. The Company elected not to complete the pre-feasibility study by September 30, 2004 and is currently reviewing various options. Compass will retain the remaining 40% interest as a joint venture partner if Compass elects to contribute to the cost of a bankable feasibility study, otherwise Compass's interest will be converted to a 20% interest and the Company will acquire the remaining 20% interest.

The Company has agreed to make annual land rental payments of U.S. $20,000. and has agreed to issue 200,000 shares to Compass upon completion of the pre-feasibility study and a further 200,000 shares upon commencement of commercial production. As a condition to enter into the agreement with Compass, the Company posted a letter of credit in the amount of U.S.$90,000 (Cdn $109,863) for which a short-term investment in the same amount is held as collateral.

S310 Gold Property

The Company, through its wholly-owned subsidiary Manele Bay Goldfields Inc. ("MBG"), has acquired an option to acquire a 100% interest in a group of 12 unpatented mining claims in Humboldt County, Nevada. The Company made an initial payment of $10,000 and issued 75,000 common shares related to this project. In order to maintain the option in good standing the Company must pay a further $7,500 and issue an additional 50,000 shares over each of the next three years and incur exploration expenditures of (US) $400,000 by July 31, 2007. The Company can acquire a 100% in the property by paying (US) $100,000 and issuing an additional 100,000 shares by January 31, 2008. The vendor will retain a 3% net smelter return royalty, 1.5% of which can be bought out for (US) $1.5 million within 24 months of the commencement of commercial production. MBG subsequently acquired a 100% interest in an additional 12 contiguous mining claims through staking.

Dover and Gautreau Oil and Gas Project

On August 18, 2004 the Company entered into an oil and gas farm in agreement with Contact Exploration Inc. (TSX-V: CEX) of Calgary, Alberta whereby the Issuer has the right to earn a 50% working interest in the Dover and Gautreau oil and gas prospects in Eastern New Brunswick by incurring 100% of the costs of drilling and completing an initial exploration well on each prospect. The agreement is subject to regulatory approval, which has not yet been obtained, although it is anticipated that the approval will be obtained and the drilling will commence in the 4th quarter of fiscal 2005.

Total deferred exploration costs spent on the Companies projects to date are as follows:

	October 31 2004	January 31 2003
Geological contractors and consulting	**$ 358,236**	$ 340,393
Engineering	**41,646**	24,940
Drilling	**203,044**	203,044
Assay	**25,287**	25,287
Road construction	**84,551**	84,551
Travel and accommodation	**108,207**	102,671
Legal	**12,406**	9,927
Property payments	**93,129**	56,894
Storage and other	**52,733**	50,540
	$ 979,239	$ 898,247

5. CAPITAL ASSETS

	Cost	Accumulated amortization	**October 31, 2004** Net book value	January 31, 2004 Net book value
Computer equipment	**$ 17,678**	**$ 6,033**	**$ 11,645**	$ 15,026
Furniture and equipment	**8,683**	**2,512**	**6,171**	6,118
Leasehold improvements	**2,044**	**510**	**1,534**	1,840
	$ 28,405	**$ 9,055**	**$ 19,350**	$ 22,894

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares of no par value.

(b) Issued

	Shares			**Amount**
Balance - January 31, 2004	**11,706,750**			**$ 9,914,704**
Exercise of warrants	**940,000**			**98,700**
Exercise of stock options	**25,000**			**3,750**
Cancelled	**(25,252)**			**-**
Balance - April 30, 2004	**12,646,498**			**$ 10,017,154**
Exercise of warrants	**600,000**	**$**	**. 11**	**63,000**
Exercise of options	**400,000**	**$**	**. 15**	**60,000**
Balance - July 31, 2004	**13,646,498**			**$ 10,140,154**
Issuance of common shares	**-**			**-**
Balance - October 31, 2004	**13,646,498**			**$ 10,140,154**

For the three months ended October 31, 2004 the Company issued 75,000 common shares relating to S310 Gold Property as described in Note 4.

(c) Escrow shares

As at February 24, 2004 25,252 (2003 – 25,252) shares held in escrow were cancelled by regulatory authorities.

(d) Stock-based compensation plans

The company has established a Share Option Plan (the “option plan) which provides for options to purchase common shares to be granted by the Company to directors, officers, employees and consultants of the Company.

A summary of the status of the Company's stock option plan as of October 31, 2004 is presented below.

	For the nine months ended October 31, 2004	Weighted Average Exercise Price	Year ended January 31, 2004	Weighted Average Exercise Price
Outstanding at the beginning of the period	**900,000**	**$ 0.35**	600,000	$ 0.15
Issued	**750,000**	**0.45**	470,000	0.55
Issued	**1,100,000**	**0.30**	-	-
Exercised	**(425,000)**	**0.15**	(150,000)	0.15
Cancelled	**(150,000)**	**0.55**	(20,000)	0.55
Cancelled	**(25,000)**	**0.45**		
Outstanding at the end of the period	**2,150,000**	**$ 0.38**	900,000	$ 0.35

(e) Share purchase warrants

Pursuant to a private placement completed in May 2002, the Company issued warrants to purchase 2,400,000 common shares at a price of $0.105 per share until May 22, 2004. As of July 31, 2004, all warrants have been exercised.

In connection with a short form offering (See Note 7(b)) the Company issued 1,750,000 warrants to purchase 1,750,000 common shares at a price of $0.50 per share on or before June 24, 2004. In accordance with this offering agreement all outstanding warrants were cancelled effective June 24, 2004.

7. RELATED PARTY TRANSACTIONS

Related party transactions not otherwise disclosed include the following:

	3 months ended October 31, **2004**	3 months ended October 31, 2003	9 months ended October 31, **2004**	9 months ended October 31, 2003
Consulting fees paid to directors	**$ 15,000**	$ 49,500	**$ 45,000**	$ 125,600

8. SUBSEQUENT EVENTS

On August 18, 2004 the Company entered into an oil and gas farm in agreement with Contact Exploration Inc. whereby the Issuer has the right to earn a 50% working interest in the Dover and Gautreau oil and gas prospects in Eastern New Brunswick by incurring 100% of the costs of drilling and completing an initial exploration well on each prospect. The agreement is subject to regulatory approval which has not yet been obtained.

On October 29, 2004 the Company announced a private placement of 5,000,000 Units at a price of $0.20 per Unit, subject to regulatory approval. Each Unit consists of one common share and one warrant to purchase an additional common share at a price of $0.25 for one year. Approximately 75% of the common shares forming part of the Units will be issued as flow through shares, the proceeds of which will be used to fund the costs of drilling the initial well on the Dover Prospect.