BENCHMARK ENERGY CORP.
Nine months ended March 31, 2005
Management's Discussion and Analysis Form 51-102F1

The following interim management discussion and analysis is prepared as at May 17, 2005 and should be read in conjunction with the unaudited financial statements for the nine months ended March 31, 2005 and the audited financial statements and the annual management discussion and analysis for the year ended June 30, 2004 of Benchmark Energy Corp. (the "Company"). Those financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedar.com.

Overview

The Company is listed on the NEX board of the TSX Venture Exchange. The Company was declared inactive in September of 2001. According to the Exchange, unless the Company completes its reactivation, it will remain on the NEX board.

Operations at this time are focused on the review of potential acquisitions in the resource sector and sourcing of potential financing for the Company.

During the quarter ended March 31, 2005, the Company signed a letter of intent with Cadex Petroleum Limited with respect to the acquisition of a 33.33% interest in Cosmos Concession and a 50% interest in the Yasmin Concession, both are oil and gas properties in Tunisia for the sum of US$40,000. Subsequent to the quarter ended March 31, 2005, the Company entered into a memorandum of understanding ("MOU") with an additional co-concession-holder to acquire an additional one-third interest in the Cosmos Oil and Gas Concession located in Tunisia (the "Cosmos Concession") along with all geological data pertaining to the Cosmos Concession. The terms of the MOU include a payment of US $100,000 for the one-third interest in the Cosmos Concession and all geological data pertaining to the Cosmos Concession, payment of all outstanding operating costs, license fees and other obligations relative to the one-third interest incurred from January 1, 1999 to the date which will be approximately US $80,000, and there being no negotiations with any third party concerning the acquisition of the geological data and the one-third interest in the Cosmos Concession for a period of 120 days from the date of the MOU (April 15, 2005). The transfer of these interests in the Cosmos and Yasmine Concessions are subject to the prior approval of the Tunisian government. The MOU and any formal agreement in substitution for the MOU are also subject to the regulatory approval.

Results of Operations

Results of Operations for the three months ended March 31, 2005 and 2004

Total expenses for the three months ended March 31, 2005 amounted to $80,828 compared to $42,505 for the three months ended March 31, 2004. The levels of expenditure for individual cost categories, with the exception of travel expenses, were comparable from period to period which reflects the Company's activity.

Travel expenses increased from $207 for the three months ended March 31, 2004 to $40,525 for the three months ended March 31, 2005. Travel expenses increased due to the Company's due diligence of the oil and gas concessions in Tunisia which required travel of the Company's executive officer and consultants.

Management fees for the three months ended March 31, 2005 were $7,500 compared to $7,745 for the three months ended March 31, 2004. These fees were for management services as performed by the officers and directors of the Company to sustain operations. The Company also incurred a rental charge for office space and secretarial services of $15,000 for the three months ended March 31, 2005 as well as $15,700 for the three months ended March 31, 2004. The Company saw its transfer agent and regulatory fees increase to $9,330 for the three months ended March 31, 2005 from $7,262 for the three months ended March 31, 2004. The increase is due to the recording of regulatory filing fees for the proposed private placement.

The Company's interest expense decreased to $260 during the current period as compared to $8,096 in the comparative period due to an interest expense of $8,000 on the issuance of bonus shares pursuant to a loan agreement.

Net Loss for the Period

The Company incurred a net loss for the three months ended March 31, 2005 of $80,785 compared to a net loss of $42,493 for the three months ended March 31, 2004. The increase is due to travel expenses relating to the proposed acquisition in Tunisia.

Results of Operations for the nine months ended March 31, 2005 and 2004

Total expenses for the nine months ended March 31, 2005 amounted to $154,030 and $114,637 for the nine months ended March 31, 2004.

Management fees for the nine months ended March 31, 2005 were $22,250 compared to $23,795 for the nine months ended March 31, 2004. These fees were for management services to sustain operations. The Company saw its professional fees decrease to $7,831 for the nine months ended March 31, 2005 from $13,330 for the nine months ended March 31, 2004. During the comparative period, the Company incurred legal fees in connection with the stock consolidation and name change.

Net Loss for the Period

The Company incurred a net loss for the nine months ended March 31, 2005 of $153,914 compared to a net loss of $134,577 for the nine months ended March 31, 2004.

Summary of Quarterly Results

	Mar 31 2005 $	Dec 31 2004 $	Sep 30 2004 $	Jun 30 2004 $	Mar 31 2004 $	Dec 31 2003 $	Sep 30 2003 $	Jun 30 2003 $
Total revenues	-	-	-	-	-	-	-	-
Net loss	(80,785)	(47,327)	(25,802)	(47,521)	(42,493)	(65,937)	(26,147)	(75,021)
Net loss per share - basic and diluted	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)

Liquidity

Historically the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company has issued common share capital in prior periods, pursuant to private placement financings. There can be no assurance of continued access to any equity funding.

The Company began the year with a working capital deficit of $28,398, which included cash of $53,011. The Company incurred a net loss of $153,914 for the nine months ended March 31, 2005 and ended the period with a working capital deficit of $80,812, including cash of $54,409.

The Company believes it does not have adequate working capital to fund its minimal operations over the next twelve months. If the Company chooses to proceed with any acquisition, it will need to raise additional funds for those expenditures.

There can be no assurance, however, that such financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs until the Company acquires an operating business or achieves positive cashflow. If the Company is unable to obtain the financing necessary to support its operations, it may be unable to continue as a going concern. The Company currently has no commitments for any credit facilities such as revolving credit agreements or lines of credit that could provide additional working capital and substantial doubt exists regarding the Company's ability to continue as a going concern. The Company has no long term debt, capital lease obligations, operating leases or any other long term obligations.

The Company had no commitments for material capital expenditures as of March 31, 2005. As at the date of this MD&A, the Company has no other arrangement for sources of financing.

Transactions with Related Parties

During the nine months ended March 31, 2005, the Company paid or accrued $22,250 in management fees (2004 - $23,795) to related parties.

Disclosure of Outstanding Share Data

The following details the share capital structure as of the date of this MD&A.

	Expiry date	Exercise price	Number	Number
Common shares				5,847,831
Share purchase options	-	-	-	-
Warrants	June 9, 2005	$0.20	1,015,625	1,015,625

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts that address future acquisitions, financings and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include the acquisition of the Tunisia oil and gas concessions, market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

The Company's auditors have not reviewed this MD&A or the accompanying unaudited quarterly financial statements to which this MD&A relates.