The following management discussion and analysis is prepared as at October 26, 2005 and should be read in conjunction with the audited financial statements for the year ended June 30, 2005 and 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 June 30, 2005, the Company entered into a purchase and sale agreement with a concession-holder to acquire a 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 agreement 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 agreement (April 15, 2005). The transfer of these interests in the Cosmos and are subject to Canadian regulatory approval.

Results of Operations

Results of Operations for the year ended June 30, 2005 and 2004

Total operating expenses for the year ended June 30, 2005 amounted to $308,579 compared to $162,194 for the year ended June 30, 2004. The levels of expenditures for individual cost categories, with the exception of consulting fees and travel expenses were relatively comparable from period to period.

Consulting fees increased by $50,409, due to the hiring of new consultants for the review of the Tunisia properties. Travel expenses increased from $956 for the year ended June 30, 2004 to $67,738 for the year ended June 30, 2005. The increase in travel expenses is 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 year ended June 30, 2005 were $51,115 compared to $31,400 for the year ended June 30, 2004. These fees were for management services 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 $63,701 for the year ended June 30, 2005 and $62,800 for the year ended June 30, 2004. The Company saw its transfer agent and regulatory fees increase to $21,503 for the year ended June 30, 2005 from $13,486 for the year ended June 30, 2004. The increase is due to the recording of regulatory filing fees for the proposed acquisition of oil and gas properties.

Net Loss for the Period

The Company incurred a net loss for the year ended June 30, 2005 of $307,551 compared to a net loss of $182,098 for the year ended June 30, 2004. The increase is due to travel expenses, management and consulting fees relating to the proposed acquisition in Tunisia.

Summary of Quarterly Results

	Jun 30 2005 $	Mar 31 2005 $	Dec 31 2004 $	Sep 30 2004 $	Jun 30 2004 $	Mar 31 2004 $	Dec 31 2003 $	Sep 30 2003 $
Total revenues	-	-	-	-	-	-	-	-
Net loss	(153,637)	(80,785)	(47,327)	(25,802)	(47,521)	(42,493)	(65,937)	(26,147)
Net loss per share - basic and diluted	(0.02)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)

Fourth Quarter Analysis

The Company recorded a new loss of $153,637 during the fourth quarter ended June 30, 2005. During the fourth quarter, consulting fees increased by $49,958, due to fees charged by consulting geologists and the commissioning of a technical report on the Tunisia properties. During the quarter, the company also granted 580,000 stock options to officers, directors and consultants which resulted in $14,806 in stock based compensation charges.

Selected Annual Financial Information

	June 30, 2005 $	June 30, 2004 $	June 30, 2003 $
Total revenues	-	-	-
Net loss	(307,551)	(182,098)	(245,463)
Net loss per share - basic and diluted	(0.05)	(0.05)	(0.07)
Total assets	676,723	57,669	2,329
Total long-term financial liabilities	-	-	-
Cash dividends declared per share	-	-	-

During the year ended June 30, 2005, the Company's expenditures increased due to its efforts to acquire oil and gas assets in Tunisia and become an active oil and gas company. The Company's nets assets were higher at June 30, 2005, largely as a result of its cash balance of $626,627 which is from subscripts received for a pending private placement.

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 $307,551 for the year ended June 30, 2005 and ended the period with a working capital deficit of $155,614, including cash of $626,627 and share subscriptions of $716,825.

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 June 30, 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 year ended June 30, 2005, the Company paid or accrued $51,115 in management fees (2004 - $31,400) 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				6,847,831
Share purchase options	May 24, 2010	0.27	580,000	
Warrants	-	-	-	

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, closing of the proposed financing, 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.