



Financial Statements

1st Quarter, 2005

Global (GMPC) Holdings Inc.

Management Discussion & Analysis

Dated: May 18, 2005

Description of Business

Global (GMPC) Holdings Inc. ("Global" or "the Company") is a merchant bank which provides bridge loan services (asset back/collateralized financing), ranging from \$100,000 to \$2,000,000 to companies across many industries such as oil & gas, mining, real estate, manufacturing, retail, financial services, technology and biotechnology. Global takes a disciplined and systematic approach to investment and is guided by four core principles: Capital Preservation, Shareholder Value, Secure Generation of Income and Risk Management.

Overall Performance

As at March 31, 2005 Global had net assets totaling \$14.2 million compared to \$13.0 million as at March 31, 2004 or \$0.320 (2004 - \$0.285) per share plus another \$0.018 (2004 - \$0.022) in unrealized gains on Global's portfolio investments, which includes convertible securities and warrants. The increase per outstanding share including unrealized gains on Global's portfolio investments is 10.2% over last year.

For the quarter ended March 31, 2005, Global had net income of \$612,204 or \$0.014 per share compared to an income of \$656,615 or \$0.014 per share for 2004. Global overhead was consistent in both periods, while Global's gains on the sale of its investment portfolio was higher in 2004. The above net income per share has been calculated using the weighted average number of multiple and subordinate voting shares during each year.

Total assets as at March 31, 2005 was \$14.4 million compared to \$13.7 million as at December 31, 2004. Included in total assets are \$3.0 million in cash and short term investments (2004 - \$1.1 million), \$5.1 million in notes receivable, bridge loans and convertible debentures (2004 - \$5.4 million), \$6.0 million in portfolio investments (2004 - \$6.8 million) with a fair value of \$5.9 million (2004 - \$7.3 million) as of December 31, 2004 and \$0.4 million in other receivables (2004 - \$0.3 million).

Summary of Quarterly Results

The following table sets out selected financial information and other data of Global (GMPC) Holdings Inc., which should be read in conjunction with the unaudited interim financial statements for the quarter ending March 31, 2005.

For the three months ended March 31	2005		2004	
Total Revenue	\$	897,924	\$	918,573
Net income for the period		612,204		656,615
Net income per share ⁽¹⁾	\$	0.014	\$	0.014

(1) Net income per share has been calculated using the weighted average number of multiple and subordinate voting shares during each year. Diluted income (loss) per share were not calculated as they would be anti-dilutive.

First Quarter of 2005 Operating Results

During the first quarter, Global provided \$2.1 million in bridge loans to public companies, private companies and individuals. The companies were in industries such as information technology, software and consumer products. As at March 31, 2005, there were no loans that were in default.

Total revenue for the first quarter of 2005 was \$897,924 compared to \$918,573 for the corresponding period in 2004. The difference in revenue relates to the gains of sales of Global's investment portfolio.

Sales of investments and securities for first quarter of 2005 have resulted in Global recording a gain of \$499,695 versus \$661,370 for the corresponding period in 2004. Income from interest and dividends increased to \$355,150 from \$272,083. Structuring fees totaled \$40,500 for the first quarter of 2005 compared to nil for the same period in 2004.

Global's expenses for the first quarter of 2005 was \$285,721, which is up \$12,500 from the same period in 2004

Net income for the first quarter of 2005 was \$612,203 or \$0.014 per share compared to and income of \$656,615 or \$0.014 per share in 2004.

Liquidity

As at March 31, 2005, Global had \$3.0 million in cash, \$38,561 in short term investments, \$144,596 in interest and dividends receivable, \$5.1 million in bridge loans and notes receivable and \$5.9 million in portfolio investments. The Corporation had no debt.

Transactions with Related Parties

The Company often receives the right to nominate a member to the board of directors of companies to which it provides a bridge loan. The nominees may be an employee, officer or director of the Company, and accordingly, the borrower may become related to the Company.

Bridge loans and convertible debentures include a balance due from a company having a current Director in common with the company, with a cost of \$1,080,000 (December 31, 2004 - \$500,000).

Portfolio investments include shares of companies and partnerships having current Executive Officers and Directors in common with the company, with a cost of \$4,181,928 (December 31, 2004 - \$4,285,594) and a fair value of \$4,131,057 (December 31, 2004 \$4,775,528).

Interest and dividend income include interest earnings on loans with current Executive Officers and Directors of the company in the amount of \$30,980 (March 31, 2004 - \$4,659) and dividends on investments in shares in a company have a current Executive Officer and a Director in common with the company in the amount of \$5,250 (March 31, 2004 - \$5,250).

Management and consulting fees include \$39,483 (March 31, 2004 - \$56,014) paid to companies controlled by current Executive Officers and Directors of the company.

Subsequent Events

On May 3, 2005, Global declared a cash dividend of \$0.01 per share payable to shareholders of Global's subordinate voting and multiple voting shares. The dividend is payable May 31, 2005, to shareholders on record on May 16, 2005. It is the intention of the Company to pay out a portion of its future annual earnings to shareholders in the form of a dividend.

Forward-Looking Information

These materials include certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Other than statement of historical fact, all statements in this material, including, without limitation, statements regarding fair values of marketable securities, investments, bridge loans, convertible debentures, estimated asset retirement obligations, and future plans and objectives of the Company, are forward-looking statements that involve various known and unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date of these materials. Important factors that could cause actual results to differ materially from the Company's expectations include, without limitation, the level of bridge loans completed, the nature and credit quality of the collateral security, the sufficiency of cost estimates for remaining reclamation obligations as well as those factors discussed in the Company's documents filed from time to time with the TSX Venture Exchange, Canadian securities regulators and other regulatory authorities. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice.

Global (GMPC) Holdings Inc.
Consolidated Balance Sheets
(unaudited)

	March 31	December 31
	2005	2004
Assets		
Cash	\$ 2,979,401	\$ 1,063,972
Short term investments (note 3)	38,561	38,561
Accounts receivable and sundry assets	208,692	174,696
Prepaid expenses	6,968	-
Interest and dividends receivable	144,596	137,037
Notes receivable, bridge loans and convertible debentures (notes 3 & 4)	5,063,589	5,432,268
Portfolio investments (notes 3 & 4)	5,960,724	6,813,829
Property, plant and equipment	5,744	3,437
	<hr/>	<hr/>
	\$ 14,408,275	\$ 13,663,800
Liabilities		
Accounts payable	188,531	56,259
	<hr/>	<hr/>
Shareholders' Equity		
Share capital	13,997,425	13,997,425
Contributed surplus	956,728	956,728
Deficit	(734,408)	(1,346,612)
	<hr/>	<hr/>
	14,219,744	13,607,541
	<hr/>	<hr/>
	\$ 14,408,275	\$ 13,663,800

Global (GMPC) Holdings Inc.
Consolidated Interim Statements of Income and Deficit
(unaudited)

For the three months ended March 31	2005	2004
Revenue		
Interest and dividend income (note 4)	\$ 355,150	\$ 272,083
Gain on sale of investments (note 4)	499,695	661,370
Structuring fees	40,500	-
Foreign exchange gain (loss)	2,579	(14,880)
	<u>897,924</u>	<u>918,573</u>
Expenses		
Management and consulting fees (note 4)	53,914	56,014
Salaries and employee benefits	180,137	147,113
Audit and legal fees	10,715	16,416
Office and general	14,584	30,835
Travel and promotion	9,269	9,630
Filing and listing fees	5,134	2,678
Rent	11,657	10,252
Amortization	312	312
	<u>285,721</u>	<u>273,249</u>
Income before income taxes	<u>612,203</u>	<u>645,324</u>
Income taxes (recovered)	<u>-</u>	<u>(11,291)</u>
Net income for the period	612,204	656,615
Deficit, beginning of period	<u>(1,346,612)</u>	<u>(2,429,007)</u>
Deficit, end of period	<u>\$ (734,408)</u>	<u>\$ (1,772,393)</u>
Basic earnings per share	<u>\$ 0.014</u>	<u>\$ 0.014</u>

Global (GMPC) Holdings Inc.
Consolidated Statements of Cash Flows
(Unaudited)

For the three months ended March 31	2005	2004
Operating activities		
Net income for the period	\$ 612,204	\$ 656,615
Items not affecting cash		
Gain on sale of investments	(499,695)	(661,370)
Amortization	312	312
	<u>112,821</u>	<u>(4,443)</u>
Changes in non-cash working capital balances	<u>81,442</u>	<u>53,416</u>
Cash flow used by operating activities	<u>194,262</u>	<u>48,973</u>
Investing activities		
Purchase of portfolio investments	(891,402)	(5,318,928)
Proceeds from sale of investments	2,244,201	6,038,363
Increases in bridge loans	(2,170,966)	(1,479,000)
Proceeds from bridge loans	2,539,644	274,470
Additions to property and equipment	(312)	(297)
Cash flow used by investing activities	<u>1,721,166</u>	<u>(485,392)</u>
Cash flows from financing activities		
Purchase of treasury shares	-	(146,777)
Increase in contributed surplus	-	25,508
	<u>-</u>	<u>(121,269)</u>
Increase (decrease) in cash	1,915,429	(557,689)
Cash, beginning of period	<u>1,063,972</u>	<u>1,255,982</u>
Cash, end of period	<u>\$ 2,979,401</u>	<u>\$ 698,293</u>
Cash flow per share	<u>\$ 0.004</u>	<u>\$ 0.001</u>

Global (GMPC) Holdings Inc.
Notes to Financial Statements
(Unaudited)
March 31, 2005

1. Nature of Business

Global (GMPC) Holdings Inc. ("the Company") is incorporated under the Canada Business Corporations Act and provides a range of merchant banking services to small and mid-cap companies in North America in both the public and private markets. Global provides bridge loan services (asset backed/collateralized financing), ranging from \$100,000 to \$2,000,000 to companies across many industries such as oil & gas, mining, real estate, manufacturing, retail, financial services, technology and biotechnology.

2. Significant Accounting Policies

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a basis consistent with those used and described in the most recent annual audited financial statements. The disclosures contained in these interim consolidated financial statements do not include all requirements of Canadian generally accepted accounting principles for annual financial statements. These interim consolidated financial statements should be read in conjunction with the most recent annual financial statements.

3. Financial Instruments

The carrying value of cash, accounts receivable, interest and dividends receivable and accounts payable approximate their fair values due to the short-term nature of these instruments.

The carrying values and fair values of the company's short term investments, notes receivable, bridge loans and convertible debenture and portfolio investments are as follows:

	March 31		December 31	
	2005 Carrying Value	2005 Fair Value	2004 Carrying Value	2004 Fair Value
Short term investments	\$ 38,561	\$ 38,561	\$ 38,561	\$ 38,561
Notes receivable	107,394	107,394	107,394	107,394
Bridge loans and convertible debentures	4,956,195	4,956,195	5,324,874	5,324,874
Portfolio investments				
- Publicly traded companies and partnerships	5,743,222	5,727,837	6,596,326	7,083,007
- Preferred shares	200,000	200,000	200,000	200,000
- Interest in oil and gas properties	17,502	17,502	17,502	17,502
	<u>\$ 11,062,874</u>	<u>\$ 11,047,489</u>	<u>\$ 12,284,657</u>	<u>\$ 12,771,338</u>

Global (GMPC) Holdings Inc.
Notes to Financial Statements
(Unaudited)
March 31, 2005

4. Related Party Transactions

The company often receives the right to nominate a member to the Board of Directors of companies to which it provides a bridge loan. The nominees may be an employee, Officer or Director of the company, and accordingly, the borrower may become related to the company.

- a) Bridge loans and convertible debentures include a balance due from a company having a current Director in common with the company, with a cost of \$1,080,000 (December 31, 2004 \$500,000).
- b) Portfolio investments include shares of companies and partnerships having current Executive Officers and Directors in common with the company, with a cost of \$4,181,928 (December 31, 2004 \$4,285,594) and a fair value of \$4,131,057 (December 31, 2004 \$4,775,528).
- c) Interest and dividend income include interest earnings on loans with current Executive Officers and Directors of the company in the amount of \$30,980 (March 31, 2004 \$4,659) and dividends on investments in shares in a company have a current Executive Officer and a Director in common with the company in the amount of \$5,250 (March 31, 2004 \$5,250).
- d) Management and consulting fees include \$39,483 (2004 \$56,014) paid to companies controlled by current Executive Officers and Directors of the company.