WESTERN WIND ENERGY CORP.

FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

THREE MONTH PERIOD ENDED
APRIL 30, 2005

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, the Company discloses that its auditors have not reviewed the unaudited consolidated financial statements for the period ended April 30, 2005.

WESTERN WIND ENERGY CORP.
(A Development Stage Company)
Consolidated Balance Sheet as at April 30, 2005 and January 31, 2005
(Unaudited – Prepared by Management)
Expressed in Canadian Dollars

	April 30, 2005	January 31, 2005
Assets		
Current assets		
Cash	83,719	31,531
Refundable tax credits	91,836	69,169
Prepaid expenses and deposits	15,421	15,421
	190,976	116,121
Project development costs (Note 2)	1,094,479	976,942
Investment deposit (Note 3)	172,020	172,020
Property and equipment (Note 4)	2,539,025	2,529,756
	3,996,500	3,794,839
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	133,746	121,136
Advances from Clean Power Income Fund (Note 7)	400,000	400,000
Loan payable	-	135,000
Due to related party (Note 5)	7,150	-
Notes payable (Note 6)	58,558	58,558
	599,454	714,694
Shareholders' equity		
Share capital (Note 8)	9,938,572	8,981,033
Share subscriptions received (receivable)	(545,178)	(335,208)
Contributed surplus	1,705,030	1,643,030
Deficit	(7,701,378)	(7,208,710)
	3,397,046	3,080,145
	3,996,499	3,794,839

Continued operations (Note 1)
Commitments

Approved by the Directors:

"*Jeffrey J. Ciachurski*" "*Claus Andrup*"

Jeffrey J. Ciachurski Claus Andrup

The accompanying notes form an integral part of these financial statements.

WESTERN WIND ENERGY CORP.
(A Development Stage Company)
Consolidated Statements of Operations and Deficit
For the Three Month Period Ended April 30, 2005 and 2004
(Unaudited – Prepared by Management)
Expressed in Canadian Dollars

	April 30 2005	April 30 2004
Revenue		
Interest income	-	495
Expenses		
Auto	10,436	15,046
Bank charges	205	0
Communications	41,035	55,892
Consulting	147,583	111,586
Depreciation	5,242	7,094
Interest	15,865	-
Management fees	40,000	19,500
Office	9,028	24,663
Professional fees	50,938	75,717
Project feasibility	-	41,064
Promotion	4,612	8,732
Regulatory fees	14,866	4,515
Rent	10,980	5,057
Secretarial services	3,500	10,582
Stock based compensation	62,000	247,592
Telephone	11,494	10,887
Travel	64,883	29,238
	492,667	667,165
Loss for the period	(492,667)	(666,670)
Deficit, beginning of period	(7,208,710)	(4,405,502)
Deficit, end of period	(7,701,377)	(5,072,172)
Loss per share	(0.03)	(0.05)
Weighted average number of common shares outstanding - basic and diluted	15,266,509	13,086,216

The accompanying notes form an integral part of these financial statements.

WESTERN WIND ENERGY CORP.
(A Development Stage Company)
Consolidated Statements of Cash Flow
For the Three Months Ended April 30, 2005 and 2004
(Unaudited – Prepared by Management)
Expressed in Canadian Dollars

Cash flows from (used in) operating activities		
Loss for the period	(492,667)	(666,670)
Adjustments for items not involving cash		
Depreciation and amortization	5,242	7,094
Stock based compensation expense	62,000	247,592
	(425,425)	(411,984)
Change in non-cash working capital items		
Refundable tax credits	(22,667)	(14,076)
Prepaid expenses	-	(21,705)
Accounts payable and accrued liabilities	12,610	24,025
	(10,058)	(11,756)
	(435,483)	(423,740)
Cash flows from (used in) financing activities		
Proceeds from share issuance and subscriptions	747,569	986,493
Due to related party	7,150	(1,952)
Loan payable	(135,000)	0
	619,719	984,541
Cash flow used in investing activities		
Purchase of property and equipment	(14,510)	(397,873)
Project development costs	(117,537)	-
	(132,047)	(397,873)
Increase (decrease) in cash and cash equivalents	52,189	162,928
Cash and cash equivalents, beginning of period	31,531	274,873
Cash and cash equivalents, end of period	83,720	437,801

The accompanying notes form an integral part of these financial statements.

1. Continued Operations

The Company is in the business of developing wind-generated electricity projects on properties either owned or leased by the Company in New Brunswick, California and Arizona through its wholly owned subsidiaries Eastern Wind Power Inc ("EWP"), Aero Energy, LLC ("Aero") and Verde Resources Corporation ("Verde").

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. The continued operations of the Company are dependent upon the ability of the Company to obtain financing to the complete the development and construction of the wind-generated electrical projects and corporate overhead costs.

2 Significant Accounting Policies

(a) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries EWP, Aero and Verde. All significant inter-company accounts and transactions have been eliminated.

(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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

(c) Cash Equivalents

Cash equivalents usually consisting of highly liquid investments which are readily convertible into cash with maturities of three months or less when purchased.

(d) Property and Equipment

Property and equipment consisting of land, wind equipment, office furniture and equipment and vehicle are recorded at cost. Except for land which is not subject to depreciation, equipment is amortized over their estimated useful lives using the straight-line method over 5 years.

(e) Projects Under Development

Project development costs are third party costs incurred for the development of wind generated electricity facilities. These costs will be amortized over the expected useful lives of the facilities upon their completion. When the value of the facilities or project development costs are impaired, the Company will make a provision and write off the impaired amount against income. As of April 30, 2005, the Company has not completed construction of the facilities.

(e) Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on the differences between financial reporting and tax bases of recording assets and liabilities, measured using substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

(f) Long-lived Asset Impairment

Long-lived assets of the Company are reviewed when changes in circumstances suggest their carrying value has become impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future project cash flows from the use of the assets or their eventual disposition. If impairment is deemed to exist, the assets will be written down to their fair value, using the discounted cash flow method.

(g) Asset Retirement Obligations

The Company recognizes the fair value of liabilities for asset retirement obligations in the period in which a reasonable estimate of such costs can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is also adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either timing or the amount of the original estimate of the undiscounted cash flow. As at April 30, 2005, the Company did not have any asset retirement obligations.

(h) Foreign Currency Transactions

Transactions in foreign currencies are translated into the currency of measurement at the exchange rate in effect on the transaction date. Monetary items expressed in foreign currencies are translated into the currency of measurement at the exchange rate in effect at the balance sheet date. The resulting exchange gains and losses are recognized in the income statement.

(i) Earnings (Loss) per Share

Earnings (loss) per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. The treasury stock method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Shares held in escrow and contingently cancellable are excluded in the computation of basic earnings (loss) per share until the conditions for their release are satisfied.

As the Company has incurred losses in the three months ended April 30, 2005, the stock options and share purchase warrants, as disclosed in notes 12 and 13, were not included in the computation of loss per share as its inclusion would be anti-dilutive.

(i) Stock-based Compensation

Effective February 1m 2003, the Company prospectively adopted a new standard for the accounting of stock-based compensation and other stock-based payments (“CICA 3870”), as recommended by the Canadian Institute of Chartered Accountants. Under the new standard, all stock option awards granted to employees and directors of the Company require the application of the fair value method.

The fair value method of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for the risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company’s common shares and an expected life of the options. The fair value of direct awards of shares is determined by the quoted market price of the Company’s stock.

For stock option awards granted to other than employees and directors and all direct awards of shares, the Company continues to apply the fair value method.

(j) Statement Presentation

Statement presentation for the financial statements as at April 30, 2004 have been changed to conform with the presentation of the financial statements as at April 30, 2005.

2. Project Development Costs

The Company has interests in three wind generated electrical facilities – Grand Manan, New Brunswick, Tehachapi, California and Arizona.

On September 29, 2004, EWP entered into a 20 year power purchase agreement with New Brunswick Power for the purchase of the available electricity generated from a 20 Megawatt facility located in Grand Manan, New Brunswick.

On May 3, 2004, Verde entered into a 10-year power purchase agreement with Arizona Public Service Company, an Arizona public utility, for the purchase of 15 Megawatts of electricity from a proposed facility in Arizona.

In March 8, 2005, Aero entered into a 20-year power purchase agreement with Southern California Edison Company for the purchase of up to 120 Megawatts of electricity from a proposed facility in the Tehachapi Pass Wind Park in California.

The Company has incurred costs to determine the feasibility of the owned and leased properties for wind generated electricity facilities and for licenses and permits, environmental impact studies, leases and right-of-ways, engineering, wind turbine selection and power purchase agreements and to commence the construction of infrastructure.

From May 1, 2001 to January 31, 2005, the Company incurred $2,286,903 in costs that have been expenses for financial reporting purposes.

3. Investment Deposit

On September 13, 2003, the Company entered in a Binding Letter Agreement with a director and officer of Aero to acquire his one-third interest in a 4-Megawatt wind generated electricity facility in Tehachapi, California. The Company paid a deposit of US$120,000. After the completion of due diligence, the Company proposed to acquire the wind data, rather than an interest in the facility and to apply the deposit against the purchase price of $500,000.

4. Property and Equipment

		April 30, 2005		January 31 2005
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	2,370,533	0	2,370,533	2,370,533
Wind equipment	152,905	45,277	107,628	107,110
Furniture and equipment	59,147	6,974	52,173	40,701
Vehicle	13,431	4,740	8,690	11,412
	2,596,016	56,991	2,539,025	2,529,756

The note payable is security by a first charge on land costing $188,023.

5. Due to Related Party

The amount due from a related party represents a loan from a director. The amount is unsecured and non-interest bearing. There are no terms of repayment.

6. Note Payable

The note payable of $58,558 is an amount due to a director. The note payable is secured by a first charge on land having a cost of $188, 023 and bears interest at the rate of 10% per year and is due on demand.

7. Advance from Clean Power Income Fund

On November 15, 2004, Clean Power Income Fund ("Clean Power") entered into an agreement to jointly develop, construct and operate the 20 Megawatt wind generated electricity facility in Grand Manan, New Brunswick. Under the terms of the agreement, Clean Power would own 50% of the project and provide $7 million in subordinated financing. The Company would be responsible for the construction and operation of the facility.

Clean Power advanced $400,000. The advance is interest bearing at the rate of 5% per year and is secured by the assets of the New Brunswick project. Principal and accrued interest is due on November 1, 2005 or earlier if the Company decides not to proceed with the agreement.

8. Share Capital

(a) Authorized: 100,000,000 common shares without par value

(b) Issued:

	Shares	Amount
Balance, January 31, 200	9,571,972	$4,002,914
Exercise of warrants at prices ranging from $0.75 to $1.30	949,000	763,600
Private placement at $1.05 per share net of issuance costs of $21,000	440,686	441,721
Shares issued in connection with Windfarm Easement Agreement	100,000	105,000

	Shares	Amount
Bonus shares issued in connection with the note payable	41,000	22,487
Private placement at $1.05 per share net of issuance costs of $20,750	651,000	662,800
Exercise of stock options ranging from $0.20 to $0.35 per share	57,500	12,625
Private placement at $1.05 per share net of share issuance cost of $21,900	115,000	120,750
Private placement at $3.00 per unit, net of issuance cost of $21,900	215,333	624,099
Balance, January 31, 2004	12,141,491	6,755,996
Exercise of warrants ranging from $0.50 to $1.30 per share	1,797,533	1,470,770
Exercise of stock options ranging from $0.20 to $0.35 per share	207,500	64,375
Issuance of shares in connection with a loan	15,000	22,500
Private placement at $3.00 per unit, net of issuance cost of $6,000	21,000	57,000
Private placement at $1.50 per unit net of share issuance cost of $76,000	315,500	397,250
Private placement at $1.50 per unit	116,661	173,142
Issuance of shares for services	31,250	40,000
Balance, January 31, 2005	14,645,935	8,981,033
Private placement at $0.82 per share	122,000	100,040
Private placement at $0.82 net of issuance costs of $30,000	559,148	428,499
Exercise of warrants	5,000	8,000
Exercise of options	55,000	11,000
Issuance of shares	500,000	410,000
Balance, April 30, 2005	15,887,083	$9,938,572

(c) There are 950,000 shares held in escrow, the release of which is subject to the direction of the regulatory authorities having jurisdiction.

(d) The share purchase warrants outstanding as at April 30, 2005:

Number of Warrants	Exercise Price	Expiry Date
351,900	$1.60	5-May-05
579500	$1.60	15-Sep-05
40,000	$1.60	6-Oct-05
215,333	$4.00	28-Jan-06
21,000	$3.50	4-Feb-05
	$4.00	4-Feb-06
315,500	$1.80	3-Sep-05
	$2.10	3-Sep-06
15,000	$1.80	16-Aug-05
	$2.10	16-Aug-06
116,661	$1.80	13-Dec-05
	$2.10	13-Dec-06
122,000	$1.03	1-Mar-07
540,853	$1.03	9-Mar-07
500,000	$1.03	31-Mar-07
2,836,042		

Each warrant entitles the warrant holder to purchase one share.

9. Stock Options

The company has a stock option plan ("the Plan") and has allotted and reserved up to an aggregate of 2,763,605 common shares.

For the three months ended April 30, 2005, the Company issued stock options to purchase 100,000 common shares at a strike price of $1.43 per share. The stock options are vested 25% immediately and 25% every six months thereafter and expire five years from the date of grant.

The summary of stock option information as at April 30, 2005 is as follows:

	Shares	Exercise Price
Options granted at January 31, 2003	1,120,000	0.83
Granted	750,000	2.23
Exercised	(57,500)	0.22
Options outstanding at January 31, 2004	1,812,500	1.57
Granted	350,000	1.45
Exercised	(207,500)	0.31
Options outstanding at January 31, 2005	1,955,000	1.55
Granted	100,000	1.43
Exercised	(55,000)	0.20
Outstanding at April 30, 2005	2,000,000	1.58

Range of Exercise Prices	Number Outstanding	Weighted Average Life	Weighted Average Price	Number Exercisable	Weighted Average Price
$0.01-$1.00	300,000	2.07	$0.80	300,000	$0.80
$1.00-$2.00	1,050,000	2.78	$1.29	962,500	$1.01
$2.01-$3.00	650,000	3.5	$2.41	637,500	$2.41
	2,000,000			1,900,000	

The fair value of each option granted has been estimated at the date of grant using the Black-Scholes Option Pricing Model with the following weighted average assumptions: risk-free interest rate of 4%, dividend yield of 0%, volatility of 79% and expected life of 5 years.

10. Income Taxes

(a) A reconciliation of the statutory tax rate to the effective rate for the Company is as follows:

	April 30, 2005	January 31, 2005
Statutory income tax rate	(36%)	(36%)
Tax losses not benefited	36%	36%
Effective tax rate	0%	0%

(b) The Company has non-capital losses of approximately $4.9 million, cumulative exploration and development expenses of approximately $2.1 million and capital losses of approximately $17,000 for income tax purposes., which may be carried forward to reduce taxable income of future years. These non-capital losses expire commencing in 2007 through 2016 if not utilized. The cumulative exploration and development expenses and capital losses can be carried forward indefinitely.

(c) Future income tax benefits which may arise as a result of these losses have not been recognized in these financial statements as there is no assurance that such amounts will be realized.

11. Related Party Transactions

The following expenses were accrued or paid to directors and parties related to the directors of the Company:

	April 30, 2005	April 30, 2004
Management fees	$40,000	$19,500
Secretarial costs	3,500	7,500
Consulting fees	59,950	44,300
Automotive	4,764	-
Rent	6,000	-
	$115,214	$71,300

12. Commitments and Contingencies

(a) The Company is committed to a land lease in Elgin, Arizona for a term ending on August 31, 2052. Lease payments for the first 14 years after the commissioning of a wind generated electrical facility are 1.4% of revenues generated from electricity sales less prepaid lease payments of US$225,000 (CDN$351,000). Lease payments of 2% of electricity sales after 14 years plus a contribution of 10% of the lease payment to a charity selected by the lessor.

(b) The Company is committed to land lease in Grand Manan, New Brunswick for a 30-year term commencing December 10, 2002 and to commence construction of wind generated electricity facilities prior to October 30, 2006. Lease payments are 1.33% of electricity sales and proceeds from the sale of CO_2 emission credits for the first three years, 1.99% for the following four years, 2.2% for the following four years and 2.5% for the balance of the lease.

(c) A former director of EWP has commenced action against the Company claiming the right to 50,000 stock options. Management believes that the claim has no merit. The lawsuit is still pending and the outcome is indeterminable at this time.

(d) The Company has provided a letter of credit to New Brunswick Power for $200,000 expiring on November 1, 2006 and the letter of credit is secured by assets owned by a third party. If the Grand Manan, New Brunswick facility is not commissioned by October 31, 2006, New Brunswick Power has the right to withdraw the funds and the Company will be liable to the party that provided security.

(e) The Company has provided a letter of credit to Southern California Edison for US$500,000. The security for the letter of credit was provided by a party related to a director and the consideration for the letter of credit includes interest at 12%. The Company can cancel the letter of credit in the event construction costs increase and Southern California Edison can withdraw the funds if the facilities are not commissioned by December 31, 2007. The obligation is secured by a charge on the Company's assets.

(f) The Company received an offering to provide debt and mezzanine financing, subject to due diligence, totalling $29.7 million to construct the Grand Manan facilities. The offer of financing requires the payment of due diligence fees of $175,000.

(g) The Company granted 250,000 stock options to a consultant at an exercise price of $1.65 per share, vested 25% immediately and 25% every six months thereafter.

(h) The Company, subject to shareholder approval, has agreed to pay certain employees of the Company and its subsidiaries bonuses of $1,350,000 payable in common shares at a deemed price of $1.65 per share. These shares will be subject to an escrow agreement that provides for the release of the shares over a three-year period.

13. Financial Instruments

The Company places its cash and cash equivalents with high credit quality financial institutions. The Company is not exposed to significant interest or currency risks arising from these financial instruments.

Western Wind Energy Corp.
Management Discussion and Analysis
For the Quarter Ended April 30, 2005

Date

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited financial statements of Western Wind Energy Corp. ("Western Wind" or the "Company") for the quarter ended April 30, 2005. This MD&A is prepared as of June 29, 2005. All dollar figures stated herein are expressed in Canadian dollars.

This report including the MD&A may contain forward-looking statements, including statements regarding the business and anticipated financial performance of the Company, which involve risks and uncertainties. These risks and uncertainties may cause the Company's actual results to differ materially from those contemplated by the forward-looking statements. Factors that might cause or contribute to such differences include, among others, 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. Investors are also directed to consider the other risks and uncertainties discussed in the Company's required financial statements and filings.

Overall Performance

Corporate Summary

The Company is a developer of wind energy projects and has acquired land rights and other information to construct wind parks in New Brunswick, Canada and in California and Arizona in the United States. The Company is headquartered in Coquitlam, Canada and is listed on the TSX Venture Exchange under the symbol “WND”.

The Company has assembled a Management Team that is experienced in various aspects of the wind energy business including but not limited to site evaluation, energy analysis, site acquisition, transmission, permitting, construction, environmental, operations, sales and marketing.

The Company operates through three (3) wholly owned subsidiaries that are responsible for the energy projects: - Aero Energy LLC (“Aero”) for California operations, Verde Resources Corporation (“Verde”) for Arizona operations, and Eastern Wind Power Inc. (“EWP”) for New Brunswick and Eastern Canada operations.

Operations

<u>California</u>

Aero owns 1,022 acres of land in the Tehachapi Pass Wind Park, the largest aggregated wind park in the world with over 4,600 wind turbines generating over 705 megawatts of name-plate capacity producing over 1.4 billion kilowatt hours of energy per year. The Company's properties are zoned for wind energy development. Tehachapi enjoys the most straightforward permitting processes in the US wind energy industry.

The Company is continuing to purchase property in Tehachapi since California has some of the highest electricity rates in the United States and it is mandated to supply 20% of its total retail electrical sales from renewable resources by 2017. State regulatory agencies are requiring that this date be moved forward to 2010. This mandate requires 8,000 MW of new wind generation of which 4,000 new MWs is planned to come from the Tehachapi Pass.

The Company's property is surrounded by over 4,600 wind turbines owned by some of the largest wind power generators in the United States - FPL Energy LLC, EnXco and Eurus Energy LLC.

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At Tehachapi, the mean-average annual wind speeds and frequency distributions are highly documented producing net operating capacity factors of over 40% with modern wind turbine equipment.

The Company, on March 8, 2005, was awarded a power purchase agreement with Southern California Edison to supply 120 MW's of electricity before December 31, 2008. The projected revenue from this contract is US$560 million over 20 years. Costs associated with constructing the project are currently estimated to be approximately US$155 million. The Company has obtained a comfort letter from a privately owned transmission company and is currently negotiating the business terms of a transmission agreement.

The Company will perform micro-siting that will assist management to site the turbines and to select the turbine manufacturer. It is also in discussions with senior debt lenders and investors to obtain project financing required to construct the wind energy facility.

Carrying costs for the properties are minimal since they are held debt-free and property taxes are approximately $20,000 per year.

The Company continues to work with its current shareholders and warrant-holders to raise additional funds to acquire new property in Tehachapi and to finance development costs.

Arizona

The Company operates in Arizona through Verde Resources Corporation. Verde is the first and only company to have executed a wind power purchase agreement with a regulated Arizona utility and, to the best of management's knowledge, is the only owner of property dedicated to wind energy in the State of Arizona.

The Company owns, by way of clear title, 800 acres of fee simple land and has under lease, over 1,300 acres of fee simple land. The Company, also, has by way of Federal lease application, over 36,000 acres and over 5,000 acres of State land applications, so that the Company controls almost 43,100 acres of land.

The Company is evaluating the meteorological conditions existing on its properties in Arizona and has completed transmission system impact studies and will be performing environmental studies on Federal leased properties.

Two of the Company's properties in Arizona have long-term wind data suitable for commercial production and the Company has entered into a commercial wind energy power purchase agreement with Arizona Public Service ("APS"). The agreement with APS provides for APS to purchase 32,193,000 kwh's of electricity per year at a fixed rate adjusted annually for inflation and any excess electricity production to be purchased at a rate based on the Dow Jones Firm Palo Verde On-Off Peak Index. Additionally, "green" credits may be sold to APS at a mutually agreed upon price. The Company will retain all production tax credits ("PTC") associated with the sale of energy under this transaction pursuant to section 45 of the US Internal Revenue Code.

The fixed power purchase rate and PTC will generate gross cash flow to Verde of US $2.35 million annually. This amount does not include the annual inflation adjustments stipulated in the PPA or the additional energy sales over 32,193,000 kWh per year. Costs associated with constructing the project are currently estimated at approximately US$18 million.

The Company is bidding on power purchase agreements with APS, other Arizona utilities and large industrial companies that are large users of electricity.

New Brunswick

The Company operates in New Brunswick through Eastern Wind Power Inc.

The Company has executed a Power Purchase Agreement with New Brunswick Power allowing the Company to sell 20 MW of wind energy electrical generation to New Brunswick Power, for a period of twenty (20) years. The terms of the agreement are confidential but revenues from the contract are projected to amount to approximately CDN$90 million over twenty (20) years, based on the Resource Assessment supporting the Company's winning bid. Costs associated with constructing the project are currently estimated to be approximately CDN$38 million.

The proposed wind farm, to be developed, owned and operated by Eastern Wind, is expected to have 10 turbines, each hub 78 metres high with three blades 41 meters long.

The Company has been awarded a "Determination to Proceed" by the New Brunswick Department of the Environment pursuant to the Province's Environmental Impact Assessment. The Federal Government has also issued a "Determination to Proceed".

NB Power Distribution and Customer Service will purchase the output and environmental attributes from the project through a 20-year power purchase agreement. The project would produce zero emission energy that will displace a similar quantity of fossil-fired generation. The wind farm, if constructed, is expected to be generating electricity by the first quarter of 2006.

The Company has received a financing proposal from The Manufacturer's Life Insurance Company to provide $29.7 million in debt financing to construct the project. The proposal is subject to normal due diligence. The Company must provide $9.7 million for construction and debt service reserves.

This is the first phase of NB Power's long-term objective to acquire 100 MW from renewable energy projects by 2010. This approach to energy development, involving the private sector and giving priority to renewable resources, aligns with the new *Electricity Act* and the Provincial Government's energy policy orientation.

Development

The Company acquires and develops sites based on eight (8) important criteria:

- available physical transmission
- legal access to transmission (interconnection and wheeling)
- commercial wind resource (the average net capacity factor of a new wind park in North America is between 25%-40%)
- zoning policy to allow wind park development
- no cultural or environmental impediments
- jurisdictional regulatory support of renewable energy
- local political support of development
- adequate incentives at the regional or federal level

Capacity factors of wind turbines are very important in assessing project economics. They are derived from the frequency distribution of a given average annual mean wind speed. The frequency distribution will vary according to specific meteorological conditions that are site specific. A specific wind speed at one location does not generate the same energy at another site. Temperature and density play an important role in determining capacity factors, as does turbine array, layout and turbulence. All of these factors and others are used by a consulting meteorologist who uses the power curve of an appropriate wind turbine manufacturer to generate a resource assessment report which determines the amount of electricity that will be generated at the specified location. The Company has engaged one of the more experienced consulting meteorologists in the United States. He has sited since 1977 over 7,000 turbines (over 3,000 MW) throughout the world.

Pricing

Revenue sources for wind parks in the US come from three (3) sources: energy prices, green credits and the Federal Production Tax Credit (“PTC”). The only fixed rate source is the PTC. It is currently at 1.9 cents per Kwh and is adjusted for inflation. Prices for wind energy vary significantly throughout the country based on the demand and supply of electricity and the availability of other energy resources. Each resource site is just as unique in energy potential as is a specific region for energy prices and fuel variety for electrical production. Hawaii, California and the Northeastern US pay the highest energy rates for electrical consumption.

Project Financing

The Company will raise capital through established institutional sources that are familiar with the operation of a wind energy projects and the potential operating and construction risks. The amount of debt that is available from institutional sources is dependent upon the projected cash flow of the project, the existence of contract with public utilities or other credit-worthy companies, the wind resource assessment report and prevailing interest rates at the date funds are expected to be drawn down.

The Company may also be the general partner of a limited tax partnership. Details of any tax partnership will be provided as available.

The Company may seek corporate or project financing or structure projects so that tax benefits and PTC’s can be used to raise capital. Details of specific project financings will be disclosed. It is premature to discuss dilution as the project may have a 100% debt component when financing terms and conditions have been established.

Project and Contractual Obligations

Each operating subsidiary is affected by local regulatory legislation concerning environmental, zoning and permitting regulations. The Company believes that its projects are currently in compliance with all applicable laws.

The Company's contract with APS in Arizona requires the facility to be commissioned by March 31, 2006 with an extension to March 31, 2007. The Company is presently applying for interconnection with the local transmission provider and discussing additional power sales to the transmission provider. There are no financial penalties in the agreement if the Company does not complete by the deadline.

Each subsidiary and its project areas have various forms of land tenure, some of which require performance obligations listed below:

California

The Company’s contract with Southern California Edison requires the facility to be commissioned by December 31, 2007 with an extension to December 31, 2008. There are provisions for the Company to cancel the agreement without penalty. The Company has posted a US$500,000 letter of credit from a party related to a director, as a performance bond, subject to the cancellation provisions. The Letter of Credit is guaranteed by all the Company’s assets.

Our properties in Tehachapi are held fee simple and clear title and therefore, no obligations exist other than land taxes of less than US $20,000 per year.

Arizona

Eastern Arizona Wind Energy Center

The Company owns 360 acres of fee simple and clear title land and no obligations exist other than land taxes of approximately US $1,500 per year.

The Company has an Arizona State Lands Department application for over 5,000 acres. There are currently no obligations regarding this application other than a royalty on production to be negotiated between Verde Resources Ltd. and the Arizona State Lands Department.

Kingman

The Company has fee simple title to 440 acres of land and there is a balance payable of CDN$58,558 remaining on a 10-year promissory note. Interest and principal is US $1,000 per month and is paid in quarterly installments.

The Company acquired a 30-year lease on 8,300 acres of private land with an advanced annual royalty payment that was due to commence on March 2005 of US $580,000 per year. The Company sent a Notice of Termination, which took effect on March 15, 2005.

There are 36,000 acres of Federal Land Lease applications submitted to the Bureau of Land Management, US Department of the Interior, surrounding the 8,300-acre lease. There are no obligations until the commencement of commercial production in which there is a 3% production royalty payable to the United States government. The application has been accepted. The application fee to the Bureau of Land Management is US $1.00 per acre, per year.

Southeastern Arizona

The Company has a lease for fifty (50) years on approximately 1300 acres of land near Elgin, Arizona. There is an advance royalty payment of US $225,000 that has been already paid. The advanced payment is deductible against future royalty payments.

New Brunswick

The Company has a land lease with respect to its property on Grand Manan Island for thirty (30) years with no advance royalty payment but an obligation to commence construction by October 31, 2006. There are no penalties if the deadline lapses.

The Company has provided a $200,000 Letter of Credit from a third party, to New Brunswick Power, as a security deposit for performance to complete the project by October 31, 2006. The Company will repay the third party if the Letter of Credit is called upon.

Selected Information
For The Three Month Period Ended April 30, 2005
($'000's except per share items)

	April 30, 2005	April 30, 2004	April 30, 2003
Total Revenues	$ Nil	$ Nil	$ Nil
Income/Loss Before Discontinued Operations	(2,804)	(667)	(234)
Net Income	(2,804)	(667)	(234)
Loss per Share- Basis & Diluted	(0.03)	(0.05)	(0.202)
Total Assets	3,997	3,890	-
Long Term Financial Liabilities	Nil	Nil	Nil

Results of Operations

Discussion of Operation and Financial Condition

Comparative Consolidated Statement of Operations

General & Administrative (Except Project Development)

Stock-Based Compensation

During the three months ended April 30, 2005, there were 100,000 stock options granted or issued. Using the fair value method, a total of $62,000 of stock-based compensation expense was recorded for the period for the options vesting during the period.

Professional Fees

Professional fees for the three months ended April 30, 2005 were $50,938 compared to $75,717 for the previous three months ended April 30, 2004. Prior year legal costs were higher, due to the acquisitions of properties and general corporate legal costs.

Travel

Travel expenses for the three months ended April 30, 2005 were $64,883 compared to $29,238 in the previous year. The increase of $35,645 was due to meetings in the southwest United States for power transmission planning sessions and trips to Toronto and other cities to meet long-term debt financiers.

Office and Miscellaneous

Office expenses for the three months ended April 30, 2005 were $9,028 compared to $24,663 during the previous year. The decrease of $15,635 is due to lower printing and other office costs in New Brunswick, California and Arizona, as well as the head office.

Management Fees

The Company paid management fees to Jeffrey Ciachurski, the president of Western Wind. Management fees for the three months ended April 30, 2005 were $40,000 compared with $19,500 for the three months ended April 30, 2004. This increase of $20,500 is due lower compensation paid in the previous year.

Consulting Fees

The Company pays consulting fees to Paul Woodhouse, Darlene Gillis, Cash Long, Jeff Patterson, Steven Mendoza and Michael Boyd. The consulting fees increased from $111, 586 for the three months ended April 30, 2004 to $147,583 due to changes in financial presentation and increased development activities in California and third party consultants hired to assist the Company.

Project Development Expenses

Project development expenses consist of all direct costs (except land acquisition or leases) related to the advancement towards the Company's objective of building, owning and operating utility scale wind parks.

The Company advances its objectives at a pace that is in line with its fundraising endeavors. The Company works closely with its shareholders and warrant-holders defining budget availability and bases its activities on such funding.

Project development expenses are utilized for land maintenance, meteorological monitoring and analysis, energy studies, energy production pro-forma preparation, interconnection studies, engineering, energy sales and marketing, environmental reviews and project management.

Project Development

Comparison of Project Development Expenses

The Company capitalizes costs paid to third parties related to the development of the wind generated electricity facilities in New Brunswick, California and Arizona. The expenses recorded for the three months ended April 30, 2004 have been reallocated to general corporate expenses.

From May 1, 1003 to April 30, 2005, the Company incurred $2,286,903 in project investigation and development costs that have been expensed for accounting purposes. The Company has capitalized $1,094,479 in costs for legal fees, engineering costs, property taxes, infrastructure construction costs and other costs paid to third parties that are directly related to the development of the facilities in New Brunswick, California and Arizona..

Summary of Quarterly Results

	Net Sales/ Total Revenues	Income/Loss Before Discontinued Operations	Net Income Loss	Income (Loss) Per Share Basic and Diluted
April 30, 2005	Nil	(492,667)	(492,667)	(0.02)
January 31, 2005	Nil	(603,527)	(603,527)	(0.04)
October 31, 2004	Nil	(801,347)	(801,347)	(0.06)
July 31, 2004	Nil	(732,361)	(732,361)	(0.05)

	Net Sales/ Total Revenues	Income/Loss Before Discontinued Operations	Net Income Loss	Income (Loss) Per Share Basic and Diluted
April 30/04	Nil	(666,670)	(666,670)	(0.05)
January 31/04	Nil	(651,191)	(651,191)	(0.06)
October 31/03	Nil	(319,858)	(319,858)	(0.03)
July 31/03	Nil	(398,895)	(398,895)	(0.03)
April 30/03	Nil	(233,565)	(233,565)	(0.02)
January 31/03	Nil	(427,234)	(427,234)	(0.09)
October 31/02	Nil	(208,890)	(208,890)	(0.02)
July 31/02	Nil	(425,676)	(425,676)	(0.05)

Liquidity and Capital Resources

As of the date of this Report, the Company had a net working capital deficiency of $408,478 as a result of advances from the Clean Power Income Fund of $400,000. The Company’s cash position as of the date of this report is $243,000.

The Company's properties in Tehachapi are surrounded by properties leased to major wind energy companies. These companies make royalty payments that on an equivalent acreage basis that would generate the Company about US$2 million per year. The surrounding projects were purchased by FPL Energy LLC, a subsidiary of Florida Power and Light. The purchases were made from the Enron bankruptcy and as such, the Company, as one of the bidders, has in its possession, the financial information with respect to the operations that surround the Company's property. Included in the financial information are the revenue statements and land royalties currently being paid to third party land owners over twenty (20) year periods.

If there is a dramatic downturn in the equity markets, the Company has the ability to reduce its expenses to below US$200,000 per year for all its operations. Such reduction would entail reducing the consulting hours to a minimum and extend the time required to develop its projects. The $200,000 is an approximation but would include land taxes, listing fees, regulatory fees, accounting and reduced legal.

Transactions with Related Parties

During the three months ended April 30, 2005, the following expenses were accrued/paid to directors and parties related to directors of the Company:

		April 30, 2005		April 30, 2004
Management Fees	$	40,000	$	19,500
Automotive		4,764		-
Consulting		59,950		44,300
Rent		6,000		-
Secretarial and Administration		3,500		7,500
	$	115,214	$	$77,300

Announcements for the Quarter Under Review -
April 30, 2005

On February 9, 2005, the Company announced that it had negotiated a non-brokered private placement of 122,000 units and a potential placement of an additional 1,500,000 units at a price of $0.82 per unit. Each unit is comprised of one (1) common share and one (1) share purchase warrant. Each warrant entitles the holder to purchase one (1) additional common share for a period of two years at a price of $1.03 per share.

On March 7, 2005, the Company announced that it had closed the first tranche of the non-brokered private placement announced in the Company's news release of February 9, 2005. The Company issued 122,000 units at a price of $0.82 per unit. Each unit is comprised of one common share and one share purchase warrant. One warrant will entitle the holder to purchase one common share at a price of $1.03 per share until March 1, 2007. The hold periods for the units and the underlying securities expires on July 2, 2005.

On March 8, 2005, the Company announced the execution of a formal power purchase agreement with the Southern California Edison Company ("Edison") for the procurement by Edison, from the Company, of up to 120 megawatts of wind powered electrical generation. The agreement is for a period of 20 years. Due to confidentiality provisions in the agreement, the price per kilowatt hour and capacity factor are to remain confidential however, for the purpose of public disclosure, the gross yearly revenues to the Company for this contract, including tax credits, will be between US $24.2 – $28.6 million per year and will have an aggregate value over 20 years, of between US $480 – $560 million. The location of the wind energy facilities will be in the Tehachapi Pass Wind Park.

On March 17, 2005, the Company announced that it had closed the second tranche of the non-brokered private placement announced in the Company's news release of February 9, 2005. The Company issued 540,853 units at a price of $0.82 per unit. Each unit is comprised of one common share and one share purchase warrant. One warrant will entitle the holder to purchase one common share at a price of $1.03 per share until March 9, 2007. The hold periods for the units and the underlying securities expire on July 10, 2005. The final tranche of 500,000 units closed on March 31, 2005. The hold period on these units expires on July 31, 2005.

On April 5, 2005, the Company announced that it had authorized the establishment of a Shareholder Rights Plan Agreement effective as of April 5, 2005. Although the Rights Plan is effective upon its adoption, in accordance with stock exchange requirements, it will be submitted to the shareholders for ratification at the Company's Annual and Extraordinary general meeting scheduled to be held on July 22, 2005. The Agreement has a term of 10 years, subject to confirmation by the shareholders of the Company at annual meetings immediately following the fifth and eighth anniversaries of the Effective Date. The Rights Plan is designed to ensure that all shareholders receive equal treatment and to maximize shareholder values in the event of a take-over bid or other acquisition that could lead to the change in control of the Company. It is not intended to deter take-over bids. The Rights Plan is intended to provide time for shareholders to properly assess any takeover bid and to provide the Board of Directors with sufficient time to explore and develop alternatives for maximizing shareholder value, including, if considered appropriate, identifying and locating other potential bidders. In making the announcement, the Company was not aware of any pending or threatened take-over bid for the Company.

Subsequent Events

On May 16, 2005, the Company announced that The Manufacturers Life Insurance Company ("Manulife") is prepared to provide $29.7 million of construction and term debt financing for the 20 MW Dark Harbor Wind Farm in New Brunswick, subject to the satisfaction of certain conditions.

The balance of the project financing, $8.2 million (not including letter of credit of $1.5 million for the debt service reserve account), will be obtained by way of a private placement of the equity of Western Wind Energy Corporation. Such private placement may be in the form of common shares and convertible preferred shares. Western Wind is seeking to offer these securities to select institutional and accredited investors.

Western Wind continues to work with Clean Power Income Fund on the equity portion of the financing and is committed to working with Clean Power in the wind energy sector.

On May 16, 2005, the Company announced that Mr. Ron Gross had been appointed to the Company as Vice-President, Capital Markets. Mr. Gross has 20 years experience in the Institutional Research and Equity markets during which he developed long term, significant relationships with Tier-One Institutional Investors in Boston, New York City, and San Francisco. His experience includes being the Lead Institutional participant in over 20 IPO's and secondary offerings in a diverse range of companies and industries. Clients include three of Nelson's top performing micro-cap and small-cap managers over the past 15 years. The Company granted Mr. Gross 250,000 share purchase options at a price of $1.65 per share subject to regulatory approval.

On June 20, 2005, the Company announced that it had closed the non-brokered private placement announced in the Company's news release of June 7, 2005. The Company issued 415,000 units at a price of $1.50 per unit. Each unit is comprised of one common share and one share purchase warrant. One warrant will entitle the holder to purchase one common share over a two year period at a price of $1.80 per share until June 15, 2006 and at a price of $2.20 per share thereafter until June 15, 2007. The hold periods for the units and the underlying securities expire on October 16, 2005.

The Company plans to use the proceeds from the private placement to, among other things, advance projects upon which it has obtained power purchase agreements and for working capital.

The Company has no contingent liabilities, nor is it in default of any debt.

A former employee of Eastern Wind Power is suing the subsidiary for the right to exercise 50,000 options at $0.80. The Company has filed a Statement of Defence and Counterclaim.

A US citizen had filed a Statement of Claim in Pima County, Arizona, asking for compensation for services rendered. Management considers the action frivolous and vexatious in its nature and will defend itself vigorously. A hearing was heard in Arizona, and the proceeding subsequently dismissed.

As at the date of this Report, the Company was in good standing under all corporate and securities laws by which it is governed.

Other MD&A Requirements

Additional information relating to the Company is available on Sedar at www.sedar.com.

Additional Disclosure for Venture Issuers Without Significant Revenue

Comparative Consolidated Statement of Operations

	Three Months Ended April 30 2005	April 30 2004
Revenue		
Interest income	-	495
Expenses		
Auto	10,436	15,046
Bank charges	205	0
Communications	41,035	55,892
Consulting	147,583	111,586
Depreciation	5,242	7,094
Interest	15,865	-
Management fees	40,000	19,500
Office	9,028	24,663
Professional fees	50,938	75,717
Project feasibility	-	41,064
Promotion	4,612	8,732
Regulatory fees	14,866	4,515
Rent	10,980	5,057
Secretarial services	3,500	10,582
Stock based compensation	62,000	247,592
Telephone	11,494	10,887
Travel	64,883	29,238
	492,667	667,165
Loss for the period	(492,667)	(666,670)

Disclosure of Outstanding Share Data

Summary of Securities Issued During the Period

Type of Security	Type of Issue	Total Number	Proceeds	Type of Consideration	Price
Common	Private Placement	122,000	$100,040	Cash	$0.82
Common	Private Placement	540,853	$428,499	Cash	$0.82
Common	Private Placement	18,295	$15,002 (deemed)	Finders Fee	$0.82 (deemed)
Common	Warrants	5,000	$8,000	Cash	$1.60

Type of Security	Type of Issue	Total Number	Proceeds	Type of Consideration	Price
Common	Stock Options	55,000	$11,000	Cash	$0.20
Common	Private Placement	500,000	$410,000	Cash	$0.82
(Net of Share Issuance Cost)					

Summary of Options Granted During the Period

Name of Optionee	Date Option Granted	Total Number	Expiry Date	Price
Claus Andrup, Director	March 16, 2005	100,000	March 16, 2010	$1.43

Summary of Marketable Securities Held at the End of the Period

Nil

Summary of Securities as at the End of the Reporting Period:

Description of the Authorized Capital

Authorized Capital: 100,000,000 common shares without par value

Issued and Outstanding: 15,887,083 common shares

Number and Recorded Value for Shares Issued and Outstanding

At April 30, 2005, the Company had 15,887,083 shares outstanding having a paid up value of $0.63 per share ($9,938,572).

<u>Description of Options, Warrants and Convertible Securities Outstanding</u>

Type of Security	Number or Amount	Exercise or Conversion Price	Expiry Date
Stock Options	200,000	$0.80	July 31, 2007
Stock Options	100,000	$0.86	November 4, 2007
Stock Options	500,000	$1.20	February 20, 2007
Stock Options	100,000	$1.05	June 25, 2008
Stock Options	200,000	$2.40	October 31, 2008
Stock Options	400,000	$2.40	October 31, 2008
Stock Options	50,000	$2.55	November 10, 2008

Type of Security	Number or Amount	Exercise or Conversion Price	Expiry Date
Stock Options	200,000	$1.44	May 20, 2009
Stock Options	100,000	$1.44	May 25, 2009
Stock Options	50,000	$1.52	June 11, 2009
Stock Options	250,000	$1.40	September 2, 2009
Stock Options	100,000	$1.43	March 16, 2010
Warrants	351,900	$1.60	May 5, 2005
Warrants	579,500	$1.60	September 15, 2005
Warrants	40,000	$1.60	October 6, 2005
Warrants	215,333	$3.50 (1st Year)	January 28, 2005
		$4.00 (2nd Year)	January 28, 2006
Warrants	21,000	$3.50 (1st Year)	February 4, 2005
		$4.00 (2nd Year)	February 4, 2006
Warrants	15,000	$1.80 (1st Year)	August 16, 2005
		$2.10 (2nd Year)	August 16, 2006
Warrants	315,500	$1.80 (1st Year)	September 3, 2005
		$2.10 (2nd Year)	September 3, 2006
Warrants	116,661	$1.80 (1st Year)	December 13, 2005
		$2.10 (2nd Year)	December 13, 2006
Warrants	122,000	$1.03	March 1, 2007
Warrants	540,853	$1.03	March 9, 2007
Warrants	500,000	$1.03	March 31, 2007

Total Number of Shares in Escrow or Subject to a Pooling Agreement

750,000 common shares are held in escrow pursuant to an escrow agreement dated April 29, 1999.