

Management's Discussion and Analysis of Financial Condition and Operations

Basis of Presentation and Statement of Compliance with IFRS

Starrex International Ltd. (formerly Starrex Mining Corporation Limited.) (the “Company” or “Starrex”) has prepared its financial statements, and all financial disclosures in this document, in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The accounting policies, which are detailed in Note 3 to the Financial Statements as at 31 December 2013, have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

This MD&A should be read in conjunction with our unaudited condensed interim financial statements as at and for the period ended March 31, 2014, which have been prepared using IFRS, and the provisions of National Instrument 51-102. Copies of all relevant financial documents, including interim Company filings to date, may also be referenced on the regulatory filings website -- www.SEDAR.com. This MD&A has been prepared as at May 19, 2014.

Company Overview

Your Company’s Management is currently reviewing, and is continuing to review and evaluate, opportunities to acquire, manage and grow companies active in mortgage, real estate and other financial sectors. Specific target areas include mortgage originations, mortgage servicing, mortgage-backed securitization and lead generation, as well as staffing and recruitment.

The Company's common shares now are listed on the **Canadian Securities Exchange (Symbol : STX)** -- and continues to maintain non-registered listing status on the **U.S. OTC BB (Symbol : STXMF)**.

On April 17, 2014, after the reporting period, and before the date of this filing, the change of name of the Company to **Starrex International Ltd.** was approved at the Annual and Special Meeting of Shareholders, and became effective May 1, 2014 by Certificate and Articles of Amendment.

The Company's current assets and business operations largely comprise cash and cash equivalents, which will be maintained while Management continues to pursue acceptable acquisitions, as described above. Management remains optimistic that an advantageous transaction will be concluded within a reasonable time frame; however, no conclusion can presently be foreseen or reported as to the possible timing, or successful outcome, or otherwise, of any ongoing current negotiations that can result in the closing of a transaction.

Significant Current Events and Status

Financial Condition

During the period under review (the three months ended 31 March 2014), the Company's current asset position declined to \$1,529,445 from \$1,616,367 at the prior year-end, reflecting expenditures to cover general office expenses and professional fees. Accounts payable and accrued liabilities decreased from \$189,632 at the prior year-end to \$188,563 at March 31, 2014.

Overview of Financial Performance

During the period under review (the three months ended 31 March 2014), net loss was \$87,257 compared to a net loss of \$13,783 for the comparable period in 2013. The increased loss is a result of professional fees associated with the annual and special shareholders meeting held in April 2014.

Results of Operations

During the period under review, investment income remained nominal due to the continuing low market interest rate environment for Canadian Government and Chartered Bank securities. Revenue, largely investment income, for the period under review increased to \$1,432, from \$1,358 for the comparable period of the prior year. Operating and administration expenses for the period under review aggregated \$88,689, compared with \$15,141 for the comparable period of the prior year. . The expenses for 2014 were largely attributable to professional fees associated with the Annual and Special Shareholders meeting on April 17, 2014. The expenses for the 2013 period were largely attributable to general office costs and the personnel costs of due diligence investigations incurred during several ongoing new business negotiations and investigations. The reported net loss for the current period was a loss of \$.02 per share and last year's comparable period was nil.

Liquidity and Capital Resources

At the end of the period under review, current assets aggregated \$1,529,445, a decrease from the \$1,616,367 reported at the prior year-end. Current liabilities at the end of the current reporting period were \$188,563, compared with \$189,632 at the end of the prior year. The balance is largely comprised professional fees, a payable to Revenue Canada, and management fees for the current and prior periods.

Cash Flow Statement

Cash at the end of the period increased to \$1,520,001 from \$720,659 at the end of the prior period as a result of the funds received from trust.

Share Capital Analysis

As at the date of this MD&A, the share capital of the Company continued to comprise exclusively 8,116,870 common shares. There are no dilutive securities outstanding or committed for issue, including, without limitation, senior or convertible securities and share purchase warrants, except for 700,000 options granted under the Company's stock option plan.

Accounting Policies

The Company has accepted and employs the now mandated IFRS accounting policy on reporting its financial condition in accordance with IFRS standards, with all amounts stated in Canadian dollars. The ongoing significant accounting policies are more particularly described herein and in those provided with the audited financial statements for the year ended December 31, 2013.

Quarterly Information

Due to the status of the Company's business activities, comparisons between the Company's current period under review and the 8 prior quarterly periods are not considered meaningful.

Segmented Information

The statements and projections herein are limited to one reportable operating segment which, for the purposes of this MD&A, is limited to the Company's present investment positions. There is no current need to differentiate between geographic areas of business operations until more material expenditures or investments are required from the Company for business activities which will require the commitment of material Company cash resources in different businesses or for clearly differentiated purposes in different geographic or political jurisdictions.

Use of Financial Instruments

The Company has not entered into any conventional or other financial instruments designed to minimize its investment risk, currency risk or commodity risk. No off-balance sheet arrangements have been established nor are there any pending plans to do so. The limited scale of the Company's current and foreseeable operations does not warrant consideration of any special financial undertakings or instruments.

Transactions with Related Parties

The Company's related party transactions during the period deal exclusively with routine, intermittent payments of administrative fees for essential corporate services to the Secretary and Acting Chief Financial Officer. No director or corporate officer is currently indebted to the Company nor have they been indebted to the Company during 2013, and during the 2014 fiscal year to date. The Company has no pension plan for directors, corporate officers or employees.

Capital Disclosures

The Company's objectives when managing capital are to maintain its ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to ensure sufficient resources are available to meet day-to-day operating management activities.

The Company considers the items included in shareholder's equity as capital. The Company manages its capital structure and will make adjustments to it, if and when necessary, in order to have funds available to support its corporate activities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the modest current business and financial size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements and there has been no change in the overall capital risk management strategy during the year.

Financial Risk Factors

The Company is exposed in varying degrees, though considered modest for the size of the Company, to a variety of financial instrument related risks; as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash and cash equivalents. This risk is managed through the use of a major chartered bank which is a high credit quality financial institution as determined by rating agencies.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements.

Market Risk

The only significant market risk exposure to which the Company is currently exposed is interest rate risk. The Company's exposure to interest rate risk relates to its ability to earn interest income on otherwise inactive cash balances at variable rates. The fair value of the Company's cash and cash equivalents are relatively unaffected by normal changes in short-term interest rates.

Disclosure Controls and Procedures

The Company's Chief Executive Officer and Acting Chief Financial Officer (the "Disclosure Committee") are responsible for establishing and maintaining the Company's disclosure controls and procedures, including adherence to the Disclosure Policy adopted by the Corporation. The Disclosure Policy requires all staff employees to keep the Disclosure Committee fully apprised of all material information affecting the Company so that the Committee may evaluate and discuss this information and determine the appropriateness and timing for public release, if so decided. Access to such material information by the Disclosure Committee is facilitated by the modest size of the Company's senior management group and the regular communications engaged in between them.

The Disclosure Committee, after evaluating the effectiveness of the Company's disclosure controls and procedures as of the end of the December 31, 2013 annual auditing period, has concluded that the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company and its subsidiaries (if any) would have become known to them.

The Company's Disclosure Committee is also responsible for the design of internal controls over financial reporting. The fundamental issue has been determined as ensuring that all transactions are properly authorized and identified and entered into a well designed and clearly understood system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with generally accepted accounting principles, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected.

The relatively small size of the Company makes the described identification and authorization process reasonably efficient and is considered an efficient process for reviewing internal controls over financial reporting. To the extent possible, given the Company's business operations, and utilizing professional outsourcing for part of the process, the internal control procedures provide for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing cheques and completing and recording wire requests. As of 31 December 2013, the Company's Disclosure Committee had concluded that the Company's system of internal controls is adequate and reasonably comparable to those of issuers of a similar size and business nature. There have been no changes during the most recent interim reporting period, being the three months year ended March 31, 2014, in the Company's internal controls over its financial reporting that have affected or would reasonably be expected to affect its financial reporting.

Critical Accounting Estimates

The preparation of financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the financial reporting date and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements at 31 March 2014 include judgments and estimates which, by

their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and also in future periods when the revision affects both current and future periods

Outlook

The Company will continue to evaluate acquisitions. Refer to the “Company Overview” section of this MD&A for the status of certain of the Company’s current negotiations and policies with respect to certain potential transactions that may receive or are receiving active consideration.

On Behalf of the Board:

per: Ronald K. Mann; Secretary and Acting CFO

May 19, 2014

Forward-Looking Statements

Certain statements contained or incorporated in this MD&A, which deal with the Company's financial condition and operating results, including information, analyses and projections as to future corporate developments which are currently in the planning stage, and on the projected operating financial performance of the Company, constitute forward-looking statements. Such forward-looking statements, made with special reference to the Company's ongoing acquisition negotiations, involve known and unknown risks and uncertainties that could cause actual events and results to differ materially from those estimated or anticipated and which may have been implied or expressed in such forward-looking statements. No conclusions as to the successful outcome of the ongoing and planned business projects and diversification negotiations in which the Company is involved are intended nor implied nor can they be foreseen or predicted prior to definitive corporate announcements as to their outcome.

Furthermore, the forward-looking statements contained in this MD&A are made as of the date hereof and the Company does not undertake any obligation to update publicly, or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.