EVERTON RESOURCES INC.
(An exploration stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended October 31, 2012

EVERTON RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR YEAR ENDED OCTOBER 31, 2012.

The following Management Discussion and Analysis ("MD&A") of the operating results, financial condition and future prospects of Everton Resources Inc. (the "Company" or "Everton"), current as of February 5, 2013, should be read in conjunction with the Company's consolidated financial statements and notes thereto for the year ended October 31, 2012 as well as the audited consolidated financial statements and notes thereto for the fiscal years ended October 31, 2011 and 2010.

Effective November 1, 2010, the Company adopted International Financial Reporting Standards ("IFRS"). These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This is the first time that the Company has prepared its financial statements in accordance with IFRS, having previously prepared its financial statements in accordance with pre-changeover Canadian Generally Accepted Accounting Principles (pre-changeover Canadian GAAP). The comparative financial information of 2010 and 2011 in this MD&A has been restated to conform to IFRS, unless otherwise stated. The reporting currency is Canadian dollars. Unless specified as $US, references to dollars in this MD&A are to Canadian dollars.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 20 of the October 31, 2012 audited consolidated financial statements.

This MD&A contains or may refer to certain statements that may be deemed "forward-looking statements". Forward-looking statements include estimates and statements that describe the Company's future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. Everton does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

Nature of Business

Everton is a Canadian mineral exploration and development company incorporated under the Business Corporations Act (Alberta) and continued under the Canada Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral properties, primarily in the Dominican Republic, Ontario and Quebec, with the aim of discovering commercially exploitable deposits of minerals (primarily precious metals) which can be disposed of for a profit to companies that wish to place such deposits into commercial production. Common shares of the Company are listed for trading on the TSX-V under the symbol "EVR" and the OTCQX under the symbol "EVRRF". The Company's head office is in Montréal, Québec.

Going Concern Assumption

In assessing whether the Company's going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the consolidated financial statements and the balance sheet classifications have not been adjusted as would be required if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for the consolidated financial statements, adjustments to the carrying value of assets and liabilities and expenses and balance sheet classification, which could be material, may be necessary.

As at October 31, 2012, the Company had a working capital surplus, excluding marketable securities of $1,065,606, including $1,358,737 in cash. In October 2012 the Company brought arbitration proceedings in respect of the KPM and Machin option agreement (see Note 7.l) to the accompanying financial statements) to have the amounts and timing of the remaining option payments adjusted. As at the date of this MDA no settlement has been reached through the arbitration.

The Company anticipates having sufficient funds to discharge its current liabilities and meet its corporate administrative expenses for several months. However, the Company will require additional financing, through various means including but not limited to equity financing, to continue the exploration program on its properties and/or to acquire additional exploration properties and to meet its entire general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds. This material uncertainty casts significant doubt regarding the Company's ability to continue as a going concern.

CORPORATE DEVELOPMENT HIGHLIGHTS

Everton is actively exploring in the Dominican Republic adjacent to the US$3 billion Pueblo Viejo Mine Project, currently being developed by the world's largest gold mining company, Barrick Gold Corporation (60%) ("Barrick") in partnership with Goldcorp Inc. (40%) ("Goldcorp").

Since 2010, the Company has adopted a new strategy to focus its corporate activities on its Dominican Republic operations, and is in the process of divesting or has divested or optioned its Canadian mineral interests. The Company's new focus on exploring in the Dominican Republic started by earning a 50% interest in the Ampliación Pueblo Viejo II ("APV") Project from Brigus Gold Corp. ("Brigus") and negotiating to earn an additional 20% by spending US$2.5 million in exploration. In addition, the Company earned a 50% interest in Perilya's Cuance and Los Hojanchos concessions and became operator of the projects. On May 25, 2011, the Company signed a Letter of Intent ("LOI") to acquire Brigus' remaining interest in the APV Project and the Ponton and La Cueva concessions. The LOI was subsequently revised on September 28, 2011 and on December 23, 2011. The transaction is expected to be finalized upon the receipt of final Exchange approval.

In September 2010 the Company optioned its Opinaca and Wildcat projects in Quebec to Aurizon Mines Ltd. ("Aurizon"). Aurizon is advancing Everton's interest by funding 100% of exploration work on one of the largest land packages adjacent to Goldcorp's Elenore gold deposit.

Everton has also increased its exposure to other commodities (graphite, rare earth elements, lithium,) through ownership of securities in other publicly traded companies (common shares of Focus Graphite Inc. (formerly Focus Metals Inc.), (TSX-V: FMS and OTCQX :FCSMF) and warrants of Exploration Nemaska Inc., (TSX-V: NMX). The investments are valued at approximately $2.3 million as of October 31, 2012. This investment portfolio was formed through the sale of the Labrador Trough properties in Quebec to Focus Graphite Inc. (Focus), and the sale of the Sirmac Lithium project in Quebec to Exploration Nemaska Inc. (Nemaska).

SIGNIFICANT EVENTS DURING THE FISCAL YEAR ENDED OCTOBER 31, 2012

<u>Trading of Stock on the OTCQX</u>

On November 29, 2011, Everton announced that OTC Markets Group approved the Company's application to trade its common shares on the highest tier of the OTC Market, OTCQX. Its common shares began trading on July 14, 2011 under the trade symbol "EVRRF".

<u>Letter Agreement With Brigus Revised</u>

On December 23, 2011, Everton amended the terms of the previously announced letter agreement with Brigus whereby Everton will acquire Brigus' remaining interest in the APV, Ponton and La Cueva concessions in the Dominican Republic (see press release issued on September 29, 2011). The total cash consideration for interest in the concessions remains the same however, it will be made over 4 installments including an initial non-refundable payment of $25,000 which was paid by Everton upon execution of the amendment. Brigus has also agreed to a voluntary 24 month escrow period for the 15,000,000 common shares of Everton to be issued in connection with the transaction. The transaction is expected to close shortly and is subject to regulatory approval.

<u>Sale of Investments for Total Proceeds of $1,757,017</u>

During the year ended October 31, 2012, the Company received total net proceeds of $1,757,017 from the sale of the following investments:

- 5,700,000 shares of Strike for net proceeds of $506,515,

- 1,500,000 shares of Focus for net proceeds of $1,099,014 and
- 398,000 shares of Nemaska for net proceeds of $147,962.
- 25,002 shares of Monarques for net proceeds of $3,525

La Lechoza Mineral Resource Estimation

On January 23, 2012, subsequent to the year ended October 31, 2011, Everton released the results of its initial National Instrument 43-101 ("NI 43-101") compliant, independent mineral resource estimate, for the APV Property La Lechoza deposit in the Dominican Republic. The resource estimate includes Everton's drilling of the mineral deposit until August 8, 2011 and up to drill-hole number APV-11-35; as well as validated historical drill holes from previous owners.

The following is a summary of the resource estimate completed by SGS Canada Inc. - Geostat of Blainville, Québec

Mineral Resources for Oxides

Cut-Off (g/tAuEq)	Classification	Tonnage (t)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Au (Oz)	Ag (Oz)
0.3	Inferred	979,000	0.86	17.72	1.14	27,000	558,000

Mineral Resources for Sulphides

Cut-Off (%CuEq)	Classifi-cation	Tonnage (t)	Au (g/t)	Ag (g/t)	Cu (%)	CuEq (%)	Au (Oz)	Ag (Oz)	Cu (lbs)
0.21	Inferred	1,225,000	0.2	5.03	0.57	0.65	8,000	198,000	15,500,000

Everton Terminates Agreement for the Sale of Shoal Lake Gold Properties to Kaskattama Inc.

On March 23, 2012 the Company announced that the share purchase agreement dated February 22, 2011, as amended, with Kaskattama Inc. (Kaskattama) has been terminated. Under the terms of agreement, Kaskattama was granted the right to acquire the Shoal Lake properties for the price of $2 million and 6 million shares (refer to Everton's press release dated September 29, 2010 for more information on the transaction with Kaskattama).

Everton Retains Caracle Creek International Consulting and Appoints Dr. Scott Jobin-Bevans as Senior Technical Advisor

On April 10, 2012, the Company announced it entered into a General Consultancy Agreement with Caracle Creek International Consulting ("Caracle Creek"). Under the terms of this agreement, Caracle Creek will act as Everton's geological agent for its projects located in the Dominican Republic. In addition, the Company announced that Dr. Scott Jobin-Bevans, P.Geo., who works in the Dominican Republic and is a co-founder of Caracle Creek, will be working closely with Everton's in-country team in the capacity of Senior Technical Advisor.

EXPLORATION ACTIVITIES

Details of the Company's exploration expenditures during the year ended October 31, 2012 are included in notes to the financial statements and are capitalized under Exploration and Evaluation Assets in accordance with the Company`s accounting policies. The Company incurred exploration expenditures of $1,585,876 during the year ended October 31, 2012. Of these exploration expenditures, $1,571,234 representing 99% were on properties located in the Dominican Republic.

MINERAL PROPERTY BOOK VALUES

At the end of each quarter, management reviews the carrying values of its resource properties to determine whether any write-downs are necessary. Following this analysis, management determined the Shoal Lake West (Duport) property was impaired and required a right down following the quitclaim deed executed by the Company on July 5, 2012. On October 31, 2012 management had reviewed the status of the arbitration with the Machin and

KPM properties and has assess that an impairment allowance was required. The Company wrote off a total of $4,975,989 of deferred mineral property and exploration and evaluation assets relating to the Duport, Machin and KPM properties.

Summary of exploration costs incurred per property for the year ended October 31, 2012

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	Ampliacion	La Lechoza	Pun	Other	Total
	$	$	$	$	$	$	$		$	$
Balance - beginning	1,021,392	324,674	940,566	536,457	869,827	5,537,514	908,752	570	389,746	10,529,498
Additions										
Drilling	3,397	993	4,844	772	2,690	449,498	3,903	45,710	81,510	593,317
Project consulting	-	-	-	-	-	2,233	-	-	23,302	25,535
Geophysical survey	-	-	-	-	-	49,973	-	-	-	49,973
Geological survey	419	109	10,640	301	396	357,372	-	84,178	89,658	543,073
Geochemical survey	310	-	389	-	-	41,035	-	104,414	24,758	170,906
Report preparation	-	-	17,907	-	-	48,638	300	-	-	66,845
Resources estimate	-	-	-	-	-	-	6,101	-	-	6,101
Renewal of licenses and permits	-	-	227	-	90	1,827	-	-	26,064	28,208
General field expenses	-	-	-	-	-	15,352	-	34,470	37,850	87,672
	4,126	1,102	34,007	1,073	3,176	965,928	10,304	268,772	283,142	1,571,630
Balance - end	1,025,518	325,776	974,573	537,530	873,003	6,503,442	919,056	269,342	672,888	12,101,128

Canada

	Shoal Lake West	Shoal Lake East (Machin)	Shoal Lake East (KPM)	Opinaca	Wildcat	Hot Springs	Total
	$	$	$	$	$	$	$
Balance - beginning	1,598,224	278,421	125,485	2,754,706	1,125,390	119,763	6,001,989
Additions							
Report preparation	-	-	-	-	-	2,500	2,500
Renewal of licenses and permits	103	102	103	-	-	11,835	12,143
	103	102	103	-	-	14,335	14,643
Deductions							
Tax credits	-	-	-	-	-	-	-
Option payments	-	-	-	-	-	45,000	45,000
Write-downs	1,598,327	278,523	125,588	-	-	-	2,002,438
	1,598,327	278,523	125,588	-	-	45,000	2,047,438
Balance - end	-	-	-	2,754,706	1,125,390	89,098	3,969,194

Summary of exploration costs incurred per property for the year ended October 31, 2011

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	Ampliacion	La Lechoza	Fresso	Other	Total
	$	$	$	$	$	$		$	$	$
Balance - beginning	1,020,792	324,185	936,104	536,139	988,556	2,976,907	6,506	562,721	331,080	7,682,990
Additions										
Drilling	317	223	1,749	-	21	2,040,896	704,255	202,169	35,994	2,985,624
Project consulting	-	-	950	-	-	8,547		-	22,294	31,791
Geological survey	280	265	1,751	-	2	438,387	173,612	32,216	56,143	702,656
Geochemical survey	3	1	5	-	1	48,795	1,368	2,378	12,172	64,723
Report preparation	-	-	7	-	-	-	2	15	435	459
Resource estimate	-	-	-	-	-	-	22,973	-	-	22,973
Renewal of licenses and permits	-	-	-	318	414	16,774	36	15	78	17,635
General field expenses	-	-	-	-	-	7,208		-	23,751	30,959
	600	489	4,462	318	438	2,560,607	902,246	236,793	150,867	3,856,820
Deductions										
Write-downs	-	-	-	-	119,167	-	-	799,514	91,631	1,010,312
	-	-	-	-	119,167	-	-	799,514	91,631	1,010,312
Balance - end	1,021,392	324,674	940,566	536,457	869,827	5,537,514	908,752	-	390,316	10,529,498

Canada

	Shoal Lake West	Shoal Lake East (Machin)	Shoal Lake East (KPM)	Hays Lake	Opinaca	Wildcat	Other	Total
	$	$	$	$	$	$	$	$
Balance - beginning	1,588,868	278,421	125,485	70,216	2,750,051	1,125,390	129,990	6,068,421
Additions								
Geological survey	18	-	-	-	-	-	3,752	3,770
Report preparation	-	-	-	-	8,924	-	5,000	13,924
Renewal of licenses and permits	5,113	-	-	-	-	-	1,618	6,731
General field expenses	4,225	-	-	-	-	-	-	4,225
	9,356	-	-	-	8,924	-	10,370	28,650
Deductions								
Tax credits	-	-	-	-	4,269	-	-	4,269
Mineral properties sold	-	-	-	70,216	-	-	20,597	90,813
	-	-	-	70,216	4,269	-	20,597	95,082
Balance - end	1,598,224	278,421	125,485	-	2,754,706	1,125,390	119,763	6,001,989

Dominican Republic

APV Project

a) Acquisition history

In April 2007, the Company obtained an option to acquire from Brigus an undivided 50% interest in the Ampliacion Pueblo Viejo (“APV”) (which includes the La Lechoza prospect) concession.

To earn its 50% interest in the APV Concession, which includes the La Lechoza prospect, the Company was required to make cash payments totaling US$700,000 (CAD$818,460), incur US$2,500,000 (CAD$2,660,000) in exploration work and issue 1,200,000 common shares over a three-year period. During the year ended October 31, 2010, all remaining conditions were met and the Company earned its initial 50% interest in the property.

On February 14, 2011, the Company signed an amended agreement with Brigus whereby Everton could earn an additional 20% interest in the concession by incurring an additional US$2,500,000 (CAD$2,471,000) in exploration work by April 10, 2012.

On December 23, 2011, the Company and Brigus revised the letter agreement dated September 28, 2011, whereby Everton can acquire the option to purchase Brigus' remaining interest in the APV, Ponton and La Cueva concessions ("the Concessions").

The binding agreement requires Everton to issue 15,000,000 common shares to Brigus to acquire the option. Pursuant to the option, Everton can acquire Brigus' remaining interest in the Concessions by paying Brigus $500,000 cash and an additional $500,000 in cash or common shares with a value of $500,000 by May 31, 2012.

The total cash consideration will be paid in four installments, including an initial non-refundable payment of $25,000 which was paid by Everton upon execution of the amendment and is included in the Option to acquire mineral exploration property account. As part of the amendment, Brigus has agreed to a voluntary twenty-four month escrow period for the 15,000,000 common shares to be issued in connection with the transaction, with 2,500,000 released after 7 days, and additional 4,500,000 released after six months, an additional 4,000,000 released after twelve months and a final 4,000,000 released after 18 months.

Brigus will also receive a sliding scale NSR royalty on the Concessions equal to 1.0% when the price of gold is less than US$1,000 per ounce, 1.5% when the price of gold is between US$1,000 and US$1,400 per ounce, and 2.0% when the price of gold is above US$1,400 per ounce.

Everton will also issue Brigus a promissory note equal to the greater of $5 million or 5,000,000 common shares of Everton. The promissory note will be subject to completion of a NI 43-101 compliant measured and indicated resource estimate on the Concessions of a minimum 1 million ounces of gold equivalent ("AuEq") (at an average grade of 2.5 g/t AuEq or higher for APV and 1.5 g/t AuEq or higher for Ponton and La Cueva) or actual gold production from the Concessions plus a NI 43-101 compliant measured and indicated resource estimate on the Concessions (at an average grade of 2.5 g/t AuEq or higher for APV and 1.5 g/t AuEq or higher for Ponton and La Cueva) exceeding 1 million ounces of gold equivalent.

On September 26, 2012, the Company and Brigus executed an option agreement as contemplated by the letter of intent, which formalized the above terms.

b) Location

The APV Project is adjacent to the northern edge of Barrick/Goldcorp's Pueblo Viejo Mine and covers 4,045 hectares. The expenditures incurred on the APV project this fiscal year were mainly on geological, geophysical and geochemical programs on the La Lechoza target and the South Sector also known as APVS. The drilling program on the APV Project is designed to test for mineralization below the silica lithocap.

c) Exploration history

A drilling program conducted in 2006 by Barrick/Goldcorp at the Pueblo Viejo Mine outlined new mineralized trends that define a NNW corridor. Drill intercepts of 2.98 grams per tonne gold ("g/t Au") over 117.7 meters (hole DPV06-04), 10.18 g/t Au over 9.87 meters (hole DPV06-12), 3.0 g/t Au over 108.4 meters (hole DPV06-03), and 5.31 g/t Au over 23.5 meters (hole DPV06-06) were cut in the extensions of the pits at Pueblo Viejo (Barrick presentation, NRSA, April 2-3, 2007). Gold-in-soil anomalies from a test line located on the APV Project north of the Pueblo Viejo Mine suggests that the new mineralized trend found by Barrick/Goldcorp may extend onto the APV Project.

Los Ranchos carbonaceous units show clear evidence of hydrothermal activity characterized by extensive advanced argillic alteration. The inference is that the Hatillo limestone may have acted as an impermeable lithocap thus being a decisive factor in the creation and preservation of the Pueblo Viejo deposit.

To date, Everton and Brigus have completed an integrated and aggressive exploration program on the APV Project including a 100-meter spaced line helicopter-borne electromagnetic and magnetic survey totaling 710 line-km, a comprehensive mapping and geochemical survey including the collection of 1,760 rock samples, a soil sample geochemical survey including the collection of 3,000 soil samples, an induced polarization ("IP") survey totaling 31 line-km, a horizontal loop electromagnetic ("HLEM") survey totaling 15 line-km, a trenching program on the La Lechoza target covering 794 meters, a detailed mapping and comprehensive mineral study using a portable infrared spectrometer ("PIMA") and a diamond drilling program of 108 drill holes totaling approximately 17,961 meters.

This exploration program allowed the delineation of at least 11 large-scale first priority drill targets, including Silica Ridge, Colorado, Miguel de Pena, Finca Miniel, Montenegro North, and several targets within the La Lechoza prospect. Those targets are characterized by the coincidence of a strong dispersion of epithermal-related soil anomaly pathfinder elements, zones of strong iron oxide development and extensive zones of advanced argillic alteration and massive silicification associated with NNW-SSE and NW-SE structures parallel to those of the mineralizing system at the Pueblo Viejo Mine.

During the quarter ended July 31, 2012, the Company compiled information generated from the previous drill programs and commenced producing maps and sections and processing the results of geophysical surveys completed in the past. These exercises will generate specific targets on the APV, APVS, shallow lithocap and deeper intrusives.

APV Project and La Lechoza Drilling Program

Highlights of the assay results from drill holes APV11-16 to 11 to APV11-30 completed in the previous quarters include hole APV11-30 which intersected 10.50 m averaging 2.29 g/t Au, 65 g/t Ag, 0.64% Cu and 3.43% Zn, including 1.50 m of 11.26 g/t Au, 235 g/t Ag, 0.76% Cu, 6.99% Zn and 1.05% Pb (Refer to news release dated April 13, 2011).

No meaningful values were intersected in holes APV11-31 and APV11-24, drilled on the North Hill target, APV11-27 drilled on the MJ Target, APV11-23, drilled on the Jasper Field target and holes APV11-17, APV11-19 and APV11-20 drilled on the Alfredito Farm target.

Everton completed a NI 43-101 compliant, independent mineral resource estimate on the La Lechoza prospects in the northern part of the APV Project. The resource estimate includes Everton's drilling of the mineral deposit until August 8, 2011 and up to drill-hole number APV-11-35; as well as validated historical drill holes from previous owners.

The results of the resource estimate completed by SGS includes mineral resources for oxides, at a grade cut-off of 0.3 g/t Au equivalent, in the inferred category, totaling 979,000t with an average grade of 0.86g/t Au and 17.72g/t Ag and containing 27,000 ounces of gold and 558,000 ounces of silver.

The mineral resources for sulphides, at a grade cut-off of 0.21% Cu equivalent, in the inferred category, totaling 1,225,000t with an average grade of 0.20g/t Au, 5.03g/t Ag and 0.57% Cu and containing 8,000 ounces of gold and 198,000 ounces of silver and 15,500,000 pounds of Cu.

APV Project Deep Drilling Program

In February 2011 the Company signed a contract with a local drilling company for 20,000 meters of drilling in holes ranging from 400 to 1,200 meters in length to test the South block of the concession and the possibility of mineralization beneath the lithocap. The 20,000 meter drill program on the APV South Block, commenced in mid-March 2011 and continued in the quarter ended January 31, 2012 with 14 holes completed totaling 7,200 meters.

Highlights of the assay results include the following:

Hole APV11-33 intercepted four thick intervals of strongly anomalous gold and copper (54.00 m @ 0.29 g/t Au and 0.12% Cu; 44.20 m @ 0.12 g/t Au, 51.85 m @ 0.12 g/t Au and 38.05 m @ 0.16 g/t Au).

Hole APV11-36 intersected 39.65m @ 0.25 g/t Au and 0.18% Cu

Holes APV11-38 and APV11-39A succeeded in penetrating below the silica lithocap achieving depths of 817.65 and 804.15 m respectively. At depth a monzonite-diorite-granodiorite porphyritic intrusives complex was detected which exhibits mineralisation style typical of porphyry copper-gold-molybdenum systems. During the quarter the Company received assay results from holes 11-40 to 11-47. No significant intersections were drilled by these holes except for Hole 11-46 which drilled anomalous gold zones which may require further evaluation. Readers should refer to MS thesis by University of Barcelona completed in August 2012 on the petrology and geochemistry of the intrusive rocks below the lithocap.

The 20,000 meter drill program initiated last year was designed to test 17 targets delineated from geological mapping, geochemical and geophysical anomalies and PIMA readings which define a classic zoning pattern of alteration typical of high-sulphidation epithermal gold systems as found at the Pueblo Viejo Mine, including a broad envelope of quartz-pyrophyllite-kaolinite and concentric zones of quartz-alunite and quartz-dickite towards the core of the system. In December the drill program was temporally halted to allow the geological team in the DR to compulate and evaluate all the information generated by the drill program to date in order to facilitate prioritizing the drill targets. The Company also engaged a multidisciplinary academic research team to conduct a thorough petrographic, mineralogical and geochemical study of the intrusive rocks under the La Cuaba lithocap and their potential to host a gold-copper-moly porphyry deposit. The study will include, among other analyses, the analysis of major and trace elements, stable and radiogenic isotopes, X-Ray diffraction and scanning electronic microscope. The academic team is led by the University of Barcelona, with the collaboration of Dr. John F. Lewis and the participation of Carl E. Nelson. The study commenced during the quarter ended April 30, 2012.

Ponton (Loma Hueca)

a) Acquisition history

In April 2007, the Company obtained an option to acquire from Brigus an undivided 50% interest in the Ponton (Loma Hueca) concession.

Under the initial option agreement, the Company could earn a 50% interest in the Ponton (Loma Hueca) Concession by making cash payments totaling US$100,000, completing work commitments of US$600,000 and issuing 200,000 common shares over a three-year period. The Company has made the US$100,000 and issued the 200,000 common shares in accordance with the agreement.

Furthermore, the Company could increase its interest in the concession to 65% by incurring all additional expenditures on the concession to the completion of a bankable feasibility study and by paying Brigus US$250,000 (CAD$247,000) and issuing 300,000 additional common shares.

On September 26, 2012 the Company signed an option agreement with Brigus whereby Everton can acquire Brigus' remaining interest in the property. The terms of the agreement are described within the APV property section.

b) Exploration history

In fiscal year 2011, the Company completed a detailed soil auger geochemical sampling program designed to refine the geochemistry targets on the property. Everton plans to test these geochemical anomalies with a drilling program and has applied for environmental permits and for a one year extension on the concession. On September 26, 2012 the Company signed an option agreement with Brigus whereby Everton will acquire Brigus' remaining interest in the Ponton concession. The transaction is expected to be finalized upon the receipt of final Exchange approval.

Pun

a) Acquisition history

In September 2011 the Company entered into a purchase agreement for the Pun exploration concession adjacent to Ponton. The Pun concession covers an area of 3,675 Ha.

The Company is required to make a payment of US$50,000 on the first anniversary of the option. The Everton may opt to acquire 100% ownership of the concession for a payment of US$200,000. Everton can at any time without penalty drop the option or transfer the rights to a third party after giving the optionor a right of first refusal.

The optionor retains a 1% NSR if Everton opts to acquire the concession. Everton is the operator and has complete discretion on how to conduct the exploration activities without any limitations as to minimum expenditures or work commitment.

b) Exploration history

During the fiscal year Everton has conducted data compilation from previous exploration programmes, new geologic mapping, systematic stream sediments, soils and rock sampling and trenching. The results of these activities outline a significant geochemical anomalies in the central and northern parts of the concession, extensions of known anomalies in the Ponton concession, which are targeted to be follow up by drilling as soon as environmental permits are obtained.

La Cueva (Loma el Mate)

a) Acquisition history

On December 8, 2003, the Company entered into an earn-in agreement with Brigus Gold Corp. (“Brigus”) for the La Cueva (Loma El Mate) Project, located in the Dominican Republic, which is contiguous to the southeast corner of the Pueblo Viejo Gold Mine concession. The Company had the option to acquire a 50% interest in the property by incurring cumulative expenditures of US$500,000 (CAD$567,000) over a two year period, issuing 200,000 common shares and paying an option fee of US$70,000 (CAD$79,000). All of the above conditions were met and the Company acquired its 50% interest.

On September 26, 2012 the Company signed an option agreement with Brigus whereby Everton can acquire Brigus’ remaining interest in the property. The terms of the agreement are described within the APV property section.

The Company has applied for an environmental permit and a one year extension on the concession to facilitate drilling.

Cuance and Los Hojanchos

a) Acquisition history

On August 18, 2003, Everton entered into an option agreement with Globestar Mining Corporation (‘’Globestar’’) to earn up to a 70% interest in three gold and base metals concessions, namely Cuance, Los Hojanchos and Loma de Payabo concessions. The concessions, collectively known as the Everton Concession Group, are located in the Central Cordillera of the Dominican Republic within the Maimon Copper and Los Ranchos Formations. The above agreement was amended on August 25, 2005, August 22, 2006, December 28, 2006, August 14, 2007, February 20, 2008, September 29, 2008 and September 3, 2009.

Everton agreed to incur exploration expenditures totaling US$1,170,000 (CAD$1,184,000) by July 31, 2010 to earn a 50% interest in two of these properties, Cuance and Los Hojanchos (a minimum of US$585,000 (CAD$592,000) per concession). The Company has earned its undivided 50% interest in the two properties, and a joint venture has been formed with Globestar effective March 31, 2009, with Everton acting as the operator.

b) Exploration history

To the date of this MDA sufficient work has been performed on the Cuance, Los Hojanchos, Corralitos, Piedra Blanca, Maimon Group of concessions, La Cueva (formerly Loma el Mate), and Jobo Claro to ensure that the concessions remain good standing.

Canada

a) Ontario

All properties in Ontario, including Shoal Lake and Hemlo West properties were maintained on care and maintenance at minimum costs, during the period, while awaiting the completion of the divestiture of these properties.

Shoal Lake

Hays Lake Gold (HLG) holds the Shoal Lake Gold properties which comprise of two significant high grade gold deposits: Duport and Cedar Island, on 81.3 km^2, located in the Shoal Lake area, near Kenora, Ontario. On September 1, 2010, and as amended by a formal agreement in February 2011, the Company signed a binding letter agreement to sell all of the issued and outstanding shares of the Company`s wholly-owned subsidiary HLG to Kaskattama Inc. (Kaskattama), for a total consideration of approximately $6 million. On March 23, 2012 the Company announced it had terminated the agreement with Kaskattama as Kaskattama had not met the conditions of the agreement.

Shoal Lake West (Duport)

Under an option agreement, dated October 7, 2008, between the Company and Halo Resources Ltd. (''Halo''), the Company can acquire a 51% interest in mining claims located in Glass Township, Shoal Lake Ontario, by issuing 5,438,400 HLG common shares (converted to 2,012,208 Everton shares on September 17, 2009), making cash payments totalling $770,000 over 4 years and incurring $1,500,000 in exploration work by May 1, 2010.

On July 5, 2012, the Company signed a mutual release and quitclaim deed with Halo Resources in which the Company released all of its claims in the Shoal Lake West (Duport) property. Under the quitclaim deed the Company no longer has any commitments or obligations with respect to Halo Resources and the Shoal Lake West (Duport) property. In association with the return of the Duport claims the Company has recognized a write off of exploration and evaluation costs of $3,249,322.

Hemlo West Properties

On May 17, 2011, the Company finalized the sale of its 100% interest in Hemlo West properties located at Hays Lake, near Schreiber, Ontario, to Strike. Under the terms of the agreement, the consideration consisted of $100,000 in cash and 5,700,000 common shares of Strike. The Company has retained a 0.5% NSR on the property that can be purchased for $500,000 by Strike at any time.

The Hemlo West Properties are located approximately 70 km west along the Trans-Canada Highway from the multi-million ounce Hemlo gold deposit in the Schreiber Hemlo greenstone belt. The property is adjoined by historic gold (silver) past producers of high-grade, narrow vein, shear zone hosted quartz veins to the south and east.

b) Quebec

Opinaca

The Opinaca A property is adjacent to the northern boundary of Goldcorp's Eleonore property hosting the Roberto gold deposit containing an estimated 3.03 million ounces of proven and probable gold reserves (Source: Goldcorp - MD&A, for the year ended December 31, 2011). The Opinaca B property is located about 8 km southeast of the Eleonore property. The Opinaca A and B properties comprise 429 and 220 claims respectively, covering 338 km^2.

On December 9, 2004, Everton signed an option agreement with Azimut Exploration to earn up to 65% in 546 claims by spending $3,300,000 in exploration work and cash payments of $280,000 over 5 years.

On November 15, 2011, the Company executed an option agreement with Aurizon Mines Ltd. ("Aurizon") whereby Aurizon can acquire up to an undivided 60% ownership interest in the Opinaca property, in which Everton and Azimut Exploration (''Azimut") each hold an undivided 50% interest, by making total cash payments of $880,000, $440,000 payable to Everton, and incurring exploration expenditures of $9,000,000.

Aurizon can earn a 50% interest in the property by making cash payments totalling $580,000 ($290,000 to Everton) and incurring exploration expenditures of $6,000,000 over four years, including 5,000 meters of drilling by the second anniversary.

Aurizon will be the operator during the earn-in period for the initial 50% interest in the property, after which a joint venture will be formed.

After earning its initial 50% interest in the property, Aurizon may then elect to earn an additional interest of 10%, for a total interest of 60%, by making cash payments totalling $300,000 ($150,000 to Everton) over three years from the election date, incurring exploration expenditures totalling $3,000,000 over three years from the election date, and delivering an independent pre-feasibility study on or before the fourth anniversary.

In addition, in the event that prior to the end of the eighth year of the initial option agreement, mineral resources of at least 2,000,000 ounces of gold, at an average grade of at least 6 grams of gold per tonne, are estimated with at least 1,000,000 ounces classified in the indicated category or higher, Aurizon shall make a payment of $1,500,000 ($750,000 to Everton), payable in Aurizon common shares, subject to regulatory approval. During the summer of 2012 Aurizon spent approximately $1,300,000 in exploration. The program consists of surface sampling and geochemical analysis, geochemical surveys at the Opinaca-Wildcat properties.

Wildcat

The Wildcat project is adjacent to the Opinaca and Eleonore properties and is comprised of six different blocks comprising 411 mining claims, covering 21,476 hectares. Exploration work conducted to date by Everton led to the discovery of the Inex Extension gold zone, which is located on trend with the Inex prospect along a 2.8 km long gold corridor, and the Manuel gold prospect which returned 12.0 g/t Au over 4.6 m in a channel sampling.

On January 25, 2005, Everton acquired a 100% interest in 579 claims grouped in 7 different blocks. These claims were acquired from an independent prospector for a cash consideration of $100,000 and the issuance of 300,000 shares of Everton for a value of $120,000.

On October 15, 2010, the Company executed an option agreement with Aurizon whereby Aurizon can acquire up to an undivided 65% interest in Everton's wholly-owned Wildcat property, by making total cash payments of $300,000 and incurring expenditures of $6,200,000.

Aurizon can earn an initial 50% interest in the property by incurring expenditures of $3,250,000 over four years, including 3,000 meters of drilling within two years. Aurizon will be the operator during the earn-in period for the initial 50% interest in the property, after which a joint venture will be formed.

After earning its initial 50% interest in the property, Aurizon may then elect to earn an additional interest of 15%, for a total interest of 65%, by making cash payments totaling $300,000 over three years from the election date, incurring exploration expenditure of $1,000,000 by each of the first, second and third anniversary dates ($3,000,000 in total) of the second option election deadline, and delivering an independent pre-feasibility study by the end of the fourth anniversary of the of the second option.

In addition, in the event that prior to the end of the eighth year of the initial option agreement, mineral resources of at least 2,000,000 ounces of gold, at an average grade of at least 6 grams of gold per tonne, are estimated, Aurizon shall make a payment of $1,500,000 payable in Aurizon common shares, subject to regulatory.

On January 12, 2011, The Company announced Aurizon's plans to spend $3.6 million, which includes 7,200 meters of drilling, on the Opinaca-Wildcat Properties. Aurizon planned an exploration program consisting of surface sampling and geochemical analysis, geophysical surveys and drilling at the Opinaca-Wildcat properties in 2011 at a budget of $3.6 million. Approximately $1.0 million of expenditures, including 2,000 meters of drilling, is planned for the Opinaca property, and approximately $2.6 million of expenditures, including 5,000 meters of drilling, is planned for the Wildcat property. During the summer of 2012 Aurizon spent approximately $1,300,000 in exploration. The program consists of surface sampling and geochemical analysis, geochemical surveys at the Opinaca-Wildcat properties.

Sirmac Lithium property

In 2009 the Company acquired Sirmac lithium property which consists of 15 designated claims by map-staking.

On January 7, 2011, the Company signed an agreement with Exploration Nemaska ("Nemaska") whereby Nemaska acquired a 100% interest in the property for $30,000 cash, 500,000 shares, initially valued at $275,000, and 500,000 share purchase warrants, each warrant entitling the Company to purchase one common share of Nemaska at a price of $0.60 until January 7, 2013. The warrants initially were recorded at a fair value of $123,025, based on the Black-Scholes option pricing model. The Company recorded a gain on the sale of the property of $407,188. The Company retains a 1% NSR which can be purchased by Nemaska at any time for $1,000,000.

In accordance with an adjustment clause in the sale agreement with Nemaska, Nemaska was required to separate its lithium related assets and its non-lithium related assets into two separate companies on or before June 30, 2011. Given that this did not occur, Nemaska was required to issue to Everton on July 1, 2011, an additional 250,000 common shares (initially valued at $107,500) and 250,000 warrants, each warrant entitling the Company to purchase one common share of Nemaska at a price of $0.60 until June 30, 2013. The warrants were initially recorded at a value of $38,098, based on the Black-Scholes option pricing model.

c) British Columbia

Hot Springs

The Hot Springs property is located in the Sloquet Creek area, British Columbia, 95 km northeast of Vancouver. The property is underlain by a sequence of pyritic, felsic tuff and coarse fragmental rocks capped by ferruginous chert which totals more than 400 meters thick.

Historical work reports the discovery of the Dan's Showing hosted in a very altered cherty tuffite. Hand trenching on the showing returned values of up to 6.75 g/t Au over 1 meter and 4.93 g/t Au over 2 meters. In 1990, Aranlee/Noranda completed a drill program which intersected 0.58 g/t Au over 119 meters in hole NQ90-2 and 0.61 g/t Au over 66.0 meters in hole NQ90-07.

By agreement dated April 11, 1997 the Company acquired a 100% interest in certain claims in British Columbia from four directors in exchange for 417,143 shares of the Company.

Hot Springs property is located in the New Westminster Mining Division in British Columbia, Canada. The property is owned 100% by the Company.

Option agreement with Electra Gold Ltd.

On June 5, 2012, Everton signed an option agreement with Electra Gold Ltd. (Electra), whereby Electra can acquire a 100% interest in the Company's Hot Springs property.

Under the terms of the agreement, Electra has the right to acquire a 100% interest in the property by issuing 20,000,000 common shares of Electra, making cash payments totaling $1,900,000 to Everton and incurring exploration expenditures totaling $500,000, in accordance with the following timeline:

Date	Common shares		Cash payments		Exploration expenditures
On approval from the TSX Venture Exchange (received)	2,000,000	$	25,000	$	-
On or before 1st anniversary	2,000,000	$	25,000	$	100,000
On or before 2nd anniversary	2,000,000	$	50,000	$	200,000
On or before 3rd anniversary	2,000,000	$	100,000	$	200,000
On or before 4th anniversary	2,000,000	$	200,000	$	-
On or before 5th anniversary	10,000,000	$	500,000	$	-
On completion of a feasibility study	-	$	1,000,000	$	-
	20,000,000	$	1,900,000	$	500,000

The Company retains a 2% NSR.

Qualified Person

The above technical information was confirmed and/or reviewed by Hugo Dominguez, a qualified person under National Instrument 43-101 ("NI 43-101").

FINANCIAL INFORMATION

The following selected financial data is derived from the audited consolidated financial statements of the Company, which were prepared in accordance with IFRS as described in the change in Accounting Policies Section.

SELECTED FINANCIAL DATA

	Year Ended October 31, 2012	Year Ended October 31, 2011
	$	$
Statement of Comprehensive Income		
Loss From Operations	(6,301,088)	(2,905,970)
Interest and Other Income	8,231	159,918
Net Income (Loss) before tax	(5,198,148)	(1,180,070)
Tax expense (recovery)	498,042	(287,930)
Comprehensive Income/(loss)	(6,465,329)	946,361
Basic and Diluted Net Income (Loss) Per Common Share	(0.049)	(0.008)
Basic and Diluted Weighted Average Number of Shares Outstanding	115,739,533	105,318,472

	Year Ended October 31, 2012	Year Ended October 31, 2011
Statement of Cash Flows	$	$
Net Cash Used In Operating Activities	(782,237)	(1,728,084)
Net Cash Provided By (Used in) Investing Activities	(320,234)	(1,646,345)
Net Cash Provided By Financing Activities	1,605,980	2,383,261
Increase (decrease) In Cash	411,773	(1,036,446)

Statement of Financial Position Summary	October 31, 2012	October 31, 2011	November 1, 2010
Cash	1,358,737	946,964	1,983,410
Marketable Securities	2,361,357	608,846	5,500
Long-term Investment	-	3,312,000	1,277,862
Mineral Exploration Properties	2,644,635	5,434,083	5,885,288
Exploration and Evaluation Assets	16,070,322	16,531,487	13,751,411
Shareholders' Equity	23,331,556	26,945,517	22,842,295
Total Assets	23,918,534	27,752,714	23,104,522

Dividend Payment

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company`s financial needs to fund its exploration and development programs, future growth, and any other factors the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

RESULTS OF OPERATIONS FOR THE YEAR ENDED OCTOBER 31, 2012

Net Earnings (Loss)

During the year ended October 31, 2012 and 2011, the Company realized net losses after tax of $5,696,190 ($0.049 loss per common share) and $892,140 ($0.008 loss per common share) respectively. This change in net income is mostly attributable to the following:

- The gain on the sale of long- term investments of $1,009,014 and $1,316,704 respectively for the year ended October 31, 2012 and 2011 on the sale of shares of Focus. In the year ended October 31, 2012 the Company sold 1,500,000 shares of Focus for net proceeds of $1,099,014, realizing a gain of $1,009,014. In the year ended

October 31, 2011 the Company sold 1,200,000 shares of Focus for net proceeds of $814,486, realizing a gain of $742,486, and the sale of 6,100,000 shares of NQ for net proceeds of $611,897, realizing a gain of $574,218.

- In the year ended October 31, 2012 the Company sold 398,000 shares of Nemaska and 5,700,000 shares of Strike for net proceeds of $654,477, realizing a gain of $136,194. In the comparative period a gain on the sale of marketable securities of $524,543 was recognized. In the comparative year there was an impairment on marketable securities of $249,000 on the Nemaska and Strike shares.

- The recognition of interest and other income of $8,231 year ended October 31, 2012 (The recognition of interest and other income of $159,918 for the year ended October 31, 2011).

- The recording of unrealized loss on financial assets at fair value through profit and loss of $50,499 and $82,017 respectively for the years ended October 31, 2012 and 2011.

- The recognition of the Company's share of net gain of $NIL (2011 - gain of $55,761) for NQ for the period up to January 2011 when Everton ceased to exercise significant control.

- The gain on the sale of mineral properties totaling $397,211 during the year ended October 31, 2011 due to the gain of $407,188 on the sale of the Sirmac lithium property to Nemaska and a net loss of $9,977 recorded on the sale of the Hays Lake project to Strike. There were no sales of mineral properties in the year ending October 31, 2012.

Operating Expenses

Operating expenses totaled $6,301,088 during the year ended October 31, 2012 ($2,905,970 for the year ended October 31, 2011). The increase in operating expenses this year ended October 31, 2012 is mainly attributed to the following:

- Management and consulting fees totaled $202,684 during the year ended October 31, 2012 ($223,958 during the year ended October 31, 2011). These fees decreased due to the Company's decreased activities related to optioning and divesting mineral interests in Canada in 2012. The decrease in fees is attributed to a general decrease in consulting fees in 2012 as part of increased efforts to cut costs.

- Salaries and benefits totalled $359,976 during the year ended October 31, 2012 ($485,511 during the year ended October 31, 2012). The decrease is attributed to the company decreasing the number of its employees in 2012 and changing from a salary based compensation system to contractor fees with all administration.

- Travel and promotion expenses year ended October 31, 2012 were $235,987 ($384,567 for the year October 31, 2011). The decrease was attributed to fewer trade shows and conferences attended during 2012.

- General and administrative expenses totaled $76,343 during the year ended October 31, 2012 ($169,910 during the year ended October 31, 2011). These fees decreased in office rent and general office expenditures due to the Company's increased cost recoveries from other companies in the office as well as a general reduction in all administrative costs.

- Stock-based compensation for the year ended October 31, 2012 was $190,389 ($635,019 for the year ended October 31, 2011). The Company granted 2,500,000 options during year ended October 31, 2012, with a weighted average fair value of $0.06 compared to 2,700,000 options granted during the year ended October 31, 2011, with a weighted average fair value of $0.24.

- Write-off of mineral properties and deferred exploration expenditures for the year ended October 31, 2012 were $4,975,989 ($1,128,041 for the year October 31, 2011). The increase was due to the write-off of Shoal Lake East and West after the quitclaim deed was signed in Q3 2012 and the delay in arbitration for KPM and Machin properties. In the year ended October 31, 2011, the Company recorded the following significant write-downs: $66,276, (the cost of the Miranda concession), $53,455 on two projects in Dominican Republic (Tocoa for $52,891 and Loma Ceiba de Agua for $564). The Tocoa and Loma Ceiba de Agua projects were abandoned as they no longer fit the Company`s strategy. During 2011 the Company wrote down the cost of the La Mireya concession to $Nil ($5,635 in acquisition costs and $48,049 in deferred exploration expenses) as the Dominincan Republic government converted 50% of the concession into a national park.

QUARTERLY INFORMATION

The following summarized financial data has been prepared in accordance with IFRS except for two quarters ended July 31, 2011 and October 31, 2010 data which has been prepared in accordance with Canadian Generally Accepted Accounting Principles and should be read in conjunction with the Company's interim consolidated statements for those periods.

Quarter Ended	Accounting Policy	Interest and Other Income	Net (Loss) Earnings after tax	Basic and Diluted Net Earnings (Loss) per Common Share
		$	$	$
31/10/2012	IFRS	(604)	(2,153,177)	(0.019)
31/07/2012	IFRS	717	(3,131,177)	(0.028)
30/04/2012	IFRS	5,234	(194,981)	(0.002)
31/01/2012	IFRS	2,884	(216,855)	(0.002)
31/10/2011	IFRS	3,997	7,542	0.000
31/07/2011	Canadian GAAP	149,056	621,124	0.006
30/04/2011	IFRS	4,102	(972,824)	(0.009)
31/01/2011	IFRS	2,763	808,640	0.008
31/10/2010	Canadian GAAP	1,951	(620,247)	(0.007)

During the quarter ended July 31, 2011, the Company realized total earnings of $621,124 due mostly to the recognition of proceeds from the sale of common shares of NQ and Focus. During the quarter, the Company sold 5,819,000 shares of NQ for net proceeds of $601,429 (realizing a gain of $565,485), 90,000 shares of Nemaska for net proceeds of $35,360 (realizing a loss of $14,140) and 600,000 shares of Focus for net proceeds of $536,509 (realizing a gain of $500,509).

During the quarter ended January 31, 2011, the Company realized total earnings of $808,640 due mostly to the recognition of a gain from the sale of common shares of NQ and Focus. In January 2011, the Company sold 6,100,000 shares of NQ for net proceeds of $611,897 (realizing a gain of $574,218) and sold 600,000 shares of Focus for net proceeds of $277,977 (realizing a gain of $241,977). These changes are not related to the impact of transitioning to IFRS.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2012, the Company had a working capital surplus of $1,065,606 excluding marketable securities, including $1,358,737 in cash, as compared to a working capital of $1,553,202 at October 31, 2011.

During the year the Company expended $782,237 on operating activities, and $320,234 in investing activities and provided $1,605,980 from financing activities.

The Company's principal requirements for cash for the next twelve months will be general and administrative expenses of approximately $200,000 and exploration related expenditures of approximately $2.0 million. Further to the acquisition of Hays Lake Gold Inc. on September 17, 2009, the Company has the remaining cash payments and exploration work commitments as follows (in $ thousands):

	2012
	$
Cash payments – Machin	1,168
Cash payments – KPM	2,333
Total	3,501

In October 2012 the Company has exercised its arbitration in the option agreement to have the amounts and timing of the remaining option payments adjusted. As at the date of this MDA no settlement has been reached through the arbitration. The Company has ceased all outstanding payments until arbitration has been completed and a favorable amendment to the option agreement has been reached.

On September 1, 2010, as amended by two formal agreements in February 2011 and in June 2011, the Company signed a binding letter agreement to sell the Shoal Lake properties to Kaskattama (refer to Exploration Activities section for details), which was expected to relieve the Company from the remaining cash payments and exploration work commitments included in the table above, once the sale transaction was finalized. During the quarter on March 23, 2012, the Company announced it terminated the share purchase agreement with Kaskattama. Everton is pursuing other options for the Shoal Lake project.

With a working capital surplus, excluding marketable securities of $1,065,606 and the Company's ability to monetize its investment if needed, the Company anticipates having sufficient cash to meet its current obligations, and corporate administrative expenses for several months. The investments in other publicly traded companies are currently valued at approximately $2.0 million at December 11, 2012. This investment portfolio is subject to fluctuations in market prices and the remaining investment is subject to a staged escrow release over the next 6 months.

The planned divestiture of the Company's 100%-owned subsidiary HLG containing the Shoal Lake properties was expected to close by September 30, 2011 and provide additional internal funding of approximately $6.0 million to the Company. However, this transaction was terminated on March 23, 2012. The Company will be required to find other financing alternatives, through various means including but not limited to divesting HLG or the Shoal Lake properties to another Company and/or through equity financing, to meet its obligations, to continue its exploration program on its mineral interests in the Dominican Republic. There is no assurance the Company will be successful in raising the additional required funds.

OFF BALANCE SHEET ARRANGEMENTS

As of October 31, 2012, the Company had no off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and key management personnel, as well as, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions

Administrative Fees

Under a cost sharing agreement between the Company and Focus Graphite Inc. ("Focus") (which shared common management prior to September 1, 2012), the Company charged Focus for shared salaries and benefits and office expenses. During the year ended October 31, 2012, the cost of shared salaries and benefits that was recharged totaled $96,790 (2011 - $97,624) and office expenses was $50,460 (2011 - $36,880). Included in amount due from related party is $NIL ($29,428 as at October 31, 2011 and $Nil as at November 1, 2010).

Key management compensation

The following table reflects compensation of key management personnel, including the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and Directors:

	Year ended October 31 2012	Year ended October 31 2011
	$	$
Salaries (including bonuses) (1)	**333,108**	447,281
Benefits	**6,333**	6,263
Share-based compensation	**78,000**	348,765
	417,441	802,309

(1) Includes directors' fees which have been included in Management and consulting fees in the consolidated statements of comprehensive income.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, marketable securities and warrants, accounts receivable, amount due from related party, long-term receivable, long-term investments, accounts payable and accrued liabilities. The fair value of cash, accounts receivable, amount due from related party and accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of the Financial Statements requires management to make estimates and assumptions about the future that affect the amounts recorded in the Financial Statements and accompanying notes. These estimates and assumptions are based on the Company's experience and Management's expectations about future events that are believed to be reasonable under the circumstances, and they are continually being evaluated based on the new facts and experience. Actual results may differ from these estimates and assumptions. The effect of a change in accounting estimate is recognized prospectively in the period of change and future periods if the change impacts both periods.

The Company's significant accounting policies and estimates are fully described in Note 3 to the consolidated financial statements for the year ended October 31, 2012.

CHANGE IN ACCOUNTING POLICIES

The Company prepared its consolidated financial statements for the year ended October 31, 2012 in accordance with IFRS. These are the Company's second financial statements prepared in accordance with IFRS as issued by the IASB.

The policies set out in the Summary of Significant Accounting Policies section (Note 3) have been applied in preparing the consolidated financial statements for the year ended October 31, 2012 and in the preparation of an opening IFRS statement of financial position at November 1, 2010 (the Company's Transition Date).

The preparation of these consolidated financial statements resulted in changes to the accounting policies as compared with the most recent annual financial statements prepared under Canadian GAAP. The accounting policies (Note 3) have been applied consistently to all periods, presented in the financial statements. They also have been applied in preparing an opening IFRS statement of the financial position as at November 1, 2010, the Company's Transition Date, for the purposes of the transition to IFRS, as required by IFRS 1. Below is a summary discussion of some of the key impacts of conversion to IFRS:

First-time Adoption of IFRS

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS that are in effect at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional and mandatory exceptions to this retrospective treatment. The exceptions and exemptions adopted by the Company are set out below:

Mandatory Exceptions

The estimates established by the Company in accordance with IFRS at the date of transition to IFRS are consistent with estimates made for the same date in accordance with Canadian Generally Accepted Accounting Principles (CGAAP) in effect before changeover date, after adjustments to reflect any difference in accounting principles, if applicable.

Financial assets and liabilities that were derecognized before November 1, 2010, under pre-changeover accounting standards, were not recognized under IFRS.

Optional Exemptions

The Company has chosen not to apply IFRS 2, "Share-based Payments", retrospectively to options that had completely vested before the date of transition to IFRS.

The Company has elected not to apply IFRS 3, "Business Combinations", retrospectively to business combinations that occurred before the date of transition to IFRS.

Changes to Accounting Policies to be Consistent with IFRS

The Company has changed certain accounting policies to be consistent with IFRS. The changes to its accounting policies have resulted in certain changes to the recognition and measurement of assets, liabilities, equity, revenue and expenses within these financial statements.

The following summarizes the significant changes to the Company's accounting policies on adoption of IFRS.

Share-Based Payment (IFRS 2):

Unlike Canadian GAAP, IFRS 2 requires that the forfeiture of granted stock options be taken into account at initial recognition of the share-based compensation costs at the time of granting rather than recognizing the forfeiture when they occur. Moreover, in case of graded vesting or awards with a service condition, IFRS 2 requires that each vesting range be measured and recorded separately so as to obtain a distinct fair value for each range.

Given the choice made for the exemption allowed by IFRS 1, amendments to this policy did not impact the November 1, 2010 statement of financial position, except for stock options whose rights vested after the date of transition.

The related impact on transition to IFRS was as follows:

Statements of financial position:

As at:	October 31, 2011	November 1, 2010
	$	$
Contributed surplus	62,450	20,602
Accumulated deficit	(62,450)	(20,602)
	-	-

Statement of comprehensive income/(loss):

For the year ended:	October 31, 2011
	$
Share-based compensation	41,848
	41,848

Impairment of financial assets (IAS 39):

Formerly, CGAAP allowed for the presumption of future recovery in the determination of whether or not the investment in an equity investment is impaired. IAS 39: *Financial Instruments: Recognition and Measurement* outlines that a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is objective evidence of impairment. As at October 31, 2011, the fair value of the investments in Nemaksa Exploration Inc. and Strike Minerals Inc. declined by 25% and 34% respectively, and as such, the unrealized loss has been recorded in profit or loss for the year ended October 31, 2011.

The related impact on transition to IFRS was as follows:

Statements of financial position:

As at:	October 31, 2011	November 1, 2010
	$	$
Accumulated other comprehensive income	213,829	
Accumulated deficit	(213,829)	
	-	-

Statement of comprehensive income/(loss):

For the year ended:	October 31, 2011
	$
Impairment on marketable securities	249,000
Tax recovery	(35,171)
Tax on other comprehensive income/loss	35,171
Net unrealized gain on available-for-sale investments	(249,000)
	-

Impairment of Assets (IAS 36):

On transition to IFRS, the adoption of IAS 36, "Impairment of Assets", had no impact on the Company.

Transition Date and Comparative Consolidated Financial Statements

The changes in accounting policies resulting from the Company's adoption of IFRS had the following impact on the consolidated statement of comprehensive loss, on the consolidated statement of financial position and on the consolidated statement of cash flows for the year ended October 31, 2011.

Impact on Statements of Financial Position

	October 31, 2011	November 1, 2010
	$	$
Contributed surplus	62,450	20,602
Accumulated other comprehensive income	213,829	
Accumulated deficit	(276,279)	(20,602)
	-	-

Impact on Statements of Comprehensive Income/(loss)

	October 31, 2011
	$
Adjustment to stock-based compensation	41,848
Impairment of AFS securities	249,000
Tax recovery	(35,171)
Net unrealized gain on available for sale investments	(249,000)
Tax on OCI	35,171
Adjustment to comprehensive loss	41,848

Impact on Statements of Cash Flow

	Year Ended October 31, 2011
	$
Adjustment to net loss	2,918
Adjustment to tax recovery	(287,930)
Adjustment to impairment on marketable securities	249,000
Adjustment to share-based compensation	41,848

Presentation

Certain amounts in the consolidated statements of financial position, statements of comprehensive income and statements of cash flows have been reclassified to conform to the presentation adopted under IFRS.

OUTSTANDING SHARE DATA

Common shares and convertible securities outstanding at February 5, 2013 consists of:

Securities	Expiry Date	Range of Exercise Price	Number of Securities Outstanding
Common shares	-	-	146,654,225
Options	Up to July 30, 2017	$0.10 to $0.40	8,512,000
Warrants	Up to August 24, 2014	$0.08 to $0.40	28,556,595

POST REPORTING DATE EVENTS

November 30, 2012, the Company announced that it has been named as a defendant, along with a current officer, a former officer and a third party, in a motion to institute proceedings, filed by Focus, in Montreal, Quebec. The motion relates to a transaction in which Everton sold certain mining claims in the Labrador Trough in 2009 and 2010, specifically with respect to the disclosure of an NSR on these properties. While the plaintiff is unable to quantify the value of its loss at this time, it is seeking an order for $120,000 and certain declarations in this motion. In addition, the Company holds 3,300,000 common shares in Focus, which are currently in escrow. Focus has not released 900,000 shares from escrow which were due to be released on November 27, 2012.

Everton has retained the law firm of Heenan Blaikie LLP and intends to take all appropriate action in relation to the motion.

RISK AND UNCERTAINTIES

Mineral exploration and development of mineral properties involve significant risks, many of which are outside of the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure and easy access.

Financial Risk
The Company is considered to be in the exploration stage, and it is dependant on obtaining regular financing in order to continue exploration. Despite previous success in acquiring such financing, there is no guarantee of obtaining any future financing, or that it will be available on acceptable terms.

The Company holds investments in other publicly traded companies (FMS.V), subject to escrow. The investments were valued at approximately $2.0 million at December 11, 2012. However, these investments are subject to fluctuations in market prices which may result in a significant decrease in their value.

The prices of metals fluctuate widely and are affected by many factors outside of the Company's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mining exploration companies.

Foreign Exchange Risk
Some of the Company's expenditures are is US dollars and the Dominican Peso. Movements in the Canadian dollar against these currencies have a direct impact on the Company's costs. The Company does not use derivative instruments to reduce its exposure to foreign exchange risks

Risk on the Uncertainty of Title
Although the Company has taken steps to verify title to mining properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

Environmental Risk
The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This Management's Discussion and Analysis has been prepared as of February 5, 2013. Additional information on the Company is available through regular filings of news releases and financial statements on SEDAR (www.sedar.com).

(s) André Audet	*(s) Sabino Di Paola*
Chairman of the Board and Chief Executive Officer	Chief Financial Officer