EVERTON RESOURCES INC.
(An exploration stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended April 30, 2011

EVERTON RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED APRIL 30, 2011.

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 June 28, 2011, should be read in conjunction with the Company's interim financial statements and notes thereto for the three and six months ended April 30, 2011, as well as the Company's audited financial statements and notes thereto for the fiscal years ended October 31, 2010 and 2009. Said financial statements were prepared in accordance with Canadian generally accepted accounting principles. The reporting currency is Canadian dollars. Unless specified as $US, references in this MD&A to dollars are to Canadian dollars.

This MD&A contains certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future exploration drilling activities and events or developments that the Company expects, are forward-looking statements. Such 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, exploration successes, continued availability of capital and financing and general economic, market or business conditions.

Nature of Business

Everton is a Canadian mineral exploration and development company 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". The Company's head office is in Montréal, Québec.

Business Development Highlights

Everton is partnered with Brigus Gold Corp. (''Brigus'') and actively exploring in the Dominican Republic adjacent to the US$3 billion Pueblo Viejo project, currently being developed by the world's largest gold mining company, Barrick Gold Corp. (60%) ("Barrick") in partnership with Goldcorp Inc. (40%) ("Goldcorp"). During the second quarter ended April 30, 2011, the Company commenced a 20,000 meter drill program on the the Ampliacion Pueblo Viejo (''APV'') project.

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 APV project from Brigus and negotiating to earn an extra 20% by spending US$2.5 million in exploration, which the Company is doing now by executing an aggressive drilling program on the APV project. In addition, the Company earned a 50% interest in Globestar's Cuance and Los Hojanchos concessions and became operator of the projects. Subsequent to quarter end, on May 25, 2011, the Company signed a letter of intent to acquire Brigus' remaining interest in the APV project as well as Ponton and La Cueva concessions.

The Company is in the process of divesting its wholly owned subsidiary, Hays Lake Gold ("HLG"), which contains the Shoal Lake Gold Project in Kenora, Ontario. Proceeds expected from this transaction when completed, of approximately $7.9 million, together with the Company's working capital of $1,857,210 (including $545,563 in cash and cash equivalents and $337,469 in short-term investments as of April 30, 2011) is expected to provide internal funding to further advance the APV project.

The Company recently 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.

In addition, Everton has increased its exposure to other commodities (Rare Earth Elements, lithium, graphite) through ownership of common shares in other publicly traded companies (Focus Metals Inc., FMS.V, Strike Minerals Inc., STK.V, Exploration Nemaska Inc., NMX.V). The investments are valued at approximately $5,652,345 as of April 30, 2011. This investment portfolio was formed through the sale of the Labrador Trough properties in Quebec to Focus Metals Inc. (``Focus``), and the sale of the Sirmac Lithium project in Quebec to

Exploration Nemaska Inc. (``Nemaska``) and recently, the sale of 6 claims in Schreiber area, Ontario to Strike Minerals Inc. (``Strike``).

The Company's most significant events that occurred during the three and six month period ended April 30, 2011 are as follows:

Sale of Investments for Total Proceeds of $1,058,311 (Subsequent to Quarter End)

Subsequent to quarter end, in May 2011, Everton sold 5,819,000 shares of NQ Exploration Inc. for net proceeds of $601,429. Subsequent to quarter end, in May and June 2011, Everton sold 520,000 shares of Focus Metals Inc. for net proceeds of $456,882.

Public Offering of Units and Subsequent Cancellation

Subsequent to quarter end, on June 7, 2011, the Company announced it filed a preliminary short form prospectus dated June 7, 2011 in connection with a proposed marketed public offering of Units in the provinces of British Columbia, Alberta and Ontario on a fully-marketed best efforts agency basis for minimum gross proceeds to Everton of $5 million. On June 22, 2011, the Company announced that it cancelled the above mentioned public offering due to unfavourable market conditions and the fact Everton has sufficient cash and assets to continue its drilling program on the APV project.

Exercise of Warrants, For Total Proceeds of $182,157

During the three months ended April 30, 2011, 728,627 warrants were exercised at $0.25 for proceeds of $182,157.

Sale Purchase Agreement with Strike Minerals Inc.

Subsequent to quarter end, on May 17, 2011, the Company announced it finalized the agreement to sale of its 100% interest in projects located at Hays Lake, near Schreiber, Ontario, to Strike Minerals Inc. Under the terms of the agreement, Everton will receive $100,000 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. In addition, Everton has a right to nominate one Director to sit on Strike's Board.

Exploration Activities

Details of the Company's Deferred Exploration Expenditures during the period ended April 30, 2011 is included in Mining Property Book Values. The Company incurred Deferred Exploration Expenditures of $1,182,540 during the quarter, of which $1,170,428, representing 98.9% of the expenditures, was spent in the Dominican Republic.

Deferred Exploration Expenses – 3 Months Ended April 30, 2011

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	APV	Fresso	Other	Total
	$	$	$	$	$	$	$	$	$
Balance - beginning	1,021,186	324,305	937,512	536,457	935,674	3,681,763	568,294	345,620	8,350,811
Additions									
Drilling	22	22	22	-	21	769,652	151,920	23	921,682
Project consulting	-	-	-	-	-	-	-	5,335	5,335
Geophysical survey	-	-	-	-	-	-	-	-	-
Geological survey	183	183	183	-	2	189,092	22,342	182	212,167
Geochemical survey	1	1	1	-	1	23,083	1,954	1	25,042
Report preparation	-	-	7	-	-	4	15	9	35
Renewal of licenses and permits	-	-	-	-	405	25	10	18	458
General field expenses	-	-	-	-	-	135	-	5,574	5,709
	206	206	213	-	429	981,991	176,241	11,142	1,170,428
Balance - end	1,021,392	324,511	937,725	536,457	936,103	4,663,754	744,535	356,762	9,521,239

Canada

	Shoal Lake West	Shoal Lake East (Machin)	Shoal Lake East (KPM)	Hays Lake	Opinaca	Wildcat	Other	Total
	$	$	$	$	$	$	$	$
Balance - beginning	1,595,036	278,421	125,485	70,216	2,750,051	1,125,390	118,145	6,062,744
Additions								
Report preparation	-	-	-	-	8,924	-	-	8,924
General field expenses	3,188	-	-	-	-	-	-	3,188
	3,188	-	-	-	8,924	-	-	12,112
Deductions								
Tax credits and mining duties	-	-	-	-	4,269	-	-	4,269
	-	-	-	-	4,269	-	-	4,269
Balance - end	1,598,224	278,421	125,485	70,216	2,754,706	1,125,390	118,145	6,070,587

Deferred Exploration Expenses – 6 Months Ended April 30, 2011

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	APV	Fresso	Other	Total
	$	$	$	$	$	$	$	$	$
Balance - beginning	1,020,792	324,185	936,104	536,139	988,556	2,983,413	562,721	331,080	7,682,990
Additions									
Drilling	317	60	368	-	21	1,316,181	154,994	112	1,472,053
Project consulting	-	-	950	-	-	8,547	-	10,863	20,360
Geological survey	280	265	292	-	2	321,879	24,817	305	347,840
Geochemical survey	3	1	4	-	1	29,571	1,973	3	31,556
Report preparation	-	-	7	-	-	4	15	9	35
Renewal of licenses and permits	-	-	-	318	414	644	15	47	1,438
General field expenses	-	-	-	-	-	3,515	-	14,907	18,422
	600	326	1,621	318	438	1,680,341	181,814	26,246	1,891,704
Deductions									
Write-downs	-	-	-	-	52,891	-	-	564	53,455
	-	-	-	-	52,891	-	-	564	53,455
Balance - end	1,021,392	324,511	937,725	536,457	936,103	4,663,754	744,535	356,762	9,521,239

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	-	-	-	-	-	-	5,113
General field expenses	4,225	-	-	-	-	-	-	4,225
	9,356	-	-	-	8,924	-	8,752	27,032
Deductions								
Tax credits	-	-	-	-	4,269	-	-	4,269
Mineral properties sold	-	-	-	-	-	-	20,597	20,597
	-	-	-	-	4,269	-	20,597	24,866
Balance - end	1,598,224	278,421	125,485	70,216	2,754,706	1,125,390	118,145	6,070,587

Deferred Exploration Expenses – 3 Months Ended April 30, 2010

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	APV	Fresso	Other	Total
	$	$	$	$	$	$	$	$	$
Balance - beginning	1,012,353	316,675	927,245	523,544	981,278	2,415,790	507,847	269,170	6,953,902
Additions									
Drilling	213	100	-	442	-	90,158	-	1,325	92,238
Project consulting	1,108	1,008	-	310	68	19,549	628	5,737	28,408
Geological survey	1,884	1,208	-	3,939	-	124,307	229	21,831	153,398
Geochemical survey	76	36	-	187	-	10,923	-	1,307	12,529
General field expenses	-	-	-	-	-	4,342	-	2,570	6,912
	3,281	2,352	-	4,878	68	249,279	857	32,770	293,485
Balance - end	1,015,634	319,027	927,245	528,422	981,346	2,665,069	508,704	301,940	7,247,387

Canada

	Shoal Lake West	Shoal Lake East (Machin)	Shoal Lake East (KPM)	Hays Lake	Opinaca	Wildcat	Other	Total
	$	$	$	$	$	$	$	$
Balance - beginning	182,534	128,510	44,326	47,362	2,737,293	1,124,834	307,764	4,572,623
Additions								
Drilling	1,097,795	-	-	-	-	-	-	1,097,795
Project consulting	69,158	18,587	15,655	256	11,073	13,351	1,442	129,522
Geophysical survey	-	62,864	-	-	-	-	-	62,864
Geological survey	65,465	-	-	-	269	-	-	65,734
Report preparation	-	-	2,738	-	-	-	-	2,738
Renewal of licenses and permi	18,980	1,140	-	-	3,360	-	-	23,480
General field expenses	136,540	-	-	-	-	5,250	-	141,790
	1,387,938	82,591	18,393	256	14,702	18,601	1,442	1,523,923
Deductions								
Tax credits	-	-	-	-	5,228	8,575	128	13,931
Write-downs	-	-	-	-	-	-	3,410	3,410
	-	-	-	-	5,228	8,575	3,538	17,341
Balance - end	1,570,472	211,101	62,719	47,618	2,746,767	1,134,860	305,668	6,079,205

Deferred Exploration Expenses – 6 Months Ended April 30, 2010

Dominican Republic

	Cuance	Los Hojanchos	La Cueva	Jobo Claro	Maimon Copper	APV	Fresso	Other	Total
	$	$	$	$	$	$	$	$	$
Balance - beginning	1,012,353	316,342	922,748	518,053	969,718	2,004,887	506,715	208,354	6,459,170
Additions									
Drilling	213	202	1,247	1,516	3,034	372,921	1,132	12,501	392,766
Project consulting	1,108	1,008	-	310	68	28,163	628	11,561	42,846
Geological survey	1,884	1,426	2,959	7,480	7,567	221,198	229	62,992	305,735
Geochemical survey	76	45	198	1,014	518	25,941	-	3,386	31,178
General field expenses	-	4	93	49	441	11,959	-	3,146	15,692
	3,281	2,685	4,497	10,369	11,628	660,182	1,989	93,586	788,217
Balance - end	1,015,634	319,027	927,245	528,422	981,346	2,665,069	508,704	301,940	7,247,387

Canada

	Shoal Lake West	Shoal Lake East (Machin)	Shoal Lake East (KPM)	Hays Lake	Opinaca	Wildcat	Other	Total
	$	$	$	$	$	$	$	$
Balance - beginning	64,808	105,212	15,010	45,199	2,734,965	1,121,141	301,560	4,387,895
Additions								
Drilling	1,097,795	-	-	-	-	-	-	1,097,795
Project consulting	101,108	40,151	39,864	1,242	12,128	15,065	7,629	217,187
Geophysical survey	-	62,864	-	-	-	-	-	62,864
Geological survey	65,597	65	66	(950)	269	270	-	65,317
Report preparation	-	-	7,535	-	196	1,200	96	9,027
Renewal of licenses and permi	30,029	2,809	3,271	2,452	5,014	1,004	451	45,030
General field expenses	211,135	-	(3,027)	(325)	-	7,054	1,474	216,311
	1,505,664	105,889	47,709	2,419	17,607	24,593	9,650	1,713,531
Deductions								
Tax credits	-	-	-	-	5,805	10,874	2,132	18,811
Write-downs	-	-	-	-	-	-	3,410	3,410
	-	-	-	-	5,805	10,874	5,542	22,221
Balance - end	1,570,472	211,101	62,719	47,618	2,746,767	1,134,860	305,668	6,079,205

Dominican Republic

In the Dominican Republic, the Company incurred $1,170,428 in exploration expenditures during the quarter ended April 30, 2011 ($1,891,704 in the six months ended April 30, 2011). Most of the exploration expenditures in the three and six months ended April 30, 2011, $981,991 and $1,680,341 respectively (representing an average of 86%) were incurred on the APV project optioned from Brigus.

APV Project

The APV project consists of 4,045 hectares adjacent to the northern edge of Barrick/Goldcorp's 22.4 million reserve ounce Pueblo Viejo mine. The Company incurred exploration expenses of $1,680,341 on the APV project in the year to date. The expenditures were incurred in the continuation of a diamond core drilling program at La Lechoza and initiation of the deeper drilling program of the lithocap on the APV project.

Based on an agreement with Brigus announced on April 12, 2007, the Company could earn an undivided 50% interest in the APV project by making cash payments totaling US$700,000, work commitments of US$2,500,000 and issuing 1,200,000 Everton common shares over a three-year period. All these conditions were met and the Company earned its initial 50% interest in the property. On August 12, 2010, the Company and Brigus signed an amended agreement whereby Everton can earn an additional 20% interest in the concession by incurring an additional US$2,500,000 in exploration work by April 10, 2012. Subsequent to the quarter end, on May 25, 2011, the Company announced it signed a letter of intent with Brigus whereby Everton will acquire Brigus' remaining interest in the APV project (refer to subsequent events).

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 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 survey including the collection of 1,760 rock samples, a 3,000 soil sample survey, a total of 31 line-km of induced polarization ("IP") survey and 15 line-km of horizontal loop electromagnetic ("HLEM") survey, 794 meters of trenching on the La Lechoza Target, detailed mapping, a comprehensive mineral study using a portable infrared spectrometer ("PIMA") and 79 diamond drill holes totaling approximately 8,300 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 gold project.

During the year, the Company and its partner continued the 8,000 meter diamond drilling program previously announced in June, 2009. The partners also announced the discovery of the new gold-silver-copper Pon Hill Zone which is located at the western end of the main La Lechoza Prospects in the northern part of the APV project.

The 8,000 meter drilling program started in mid-January 2010 (APV10-01 to APV10-12) was continued in the fourth quarter of 2010 with 21 holes completed totaling 2,575 meters (APV10-13 to APV10-33). The drill program was designed to test mineralization previously drilled with AirTrack drilling in the 1980s and core drilling in 2003, 2004, 2009 and early 2010. The drilling was targeted around the main La Lechoza Prospect in the sectors named North Hill (original surface showing), Spanish Pit, Jasper Field, and the newly discovered sector Pon Hill, which is located 200 meters southwest of Spanish Pit. The drill results indicated the mineralization covers approximately 450 meters by 200 meters. The drilling campaign also returned individual sample assay values up to 31.58 g/t Au, 1,548 g/t Ag, 9.97% Cu and 22.12% Zn.

During the quarter ended April 30, 2011, an additional 30 holes were drilled on the APV project (Holes APV11-01 to APV11-30) totaling over 3,300 meters. This drill program is still in progress. Selected results from this phase include:

Hole APV11-01: 0.34 g/t Au, 7.69 g/t Ag, 0.45% Cu and 0.26% Zn over 33.00 meters.

Hole APV11-02: 2.46 g/t Au, 26.73 g/t Ag over 27.00 meters.

Hole APV11-04: 2.89 g/t Au and 28.58 g/t Ag over 17.50 meters.

Hole APV11-07: 0.31 g/t Au, 0.38% Cu and 1.05% Zn over 18.50 meters.

Hole APV11-08: 1.44 g/t Au and 85.98 g/t Ag over 6.00 meters.

Hole APV11-12: 1.72% Zn over 10 meters and 0.78% Zn over 7.5 meters.

Hole APV11-14: 1.35 g/t Au, 31.66 g/t Ag, 6.59% Cu and 0.35% Zn over 7.5 meters.

Hole APV11-15: 22.94 g/t Au and 0.48% Cu over 7.5 meters. Assays from holes APV11-16 to APV11-30 are in process and are being validated for QA/QC.

The Company continues to evaluate the potential to develop a gold-copper resource at the La Lechoza Prospect further to the recent drill assay results. The planned exploration program is designed to delineate a resource estimate by systematic core and reverse circulation ("RC") drilling. A 10,000 to 15,000 meter RC program is being considered to test the near surface oxide potential resource and the potential of underlying supergene secondary mineralization as well as deeper primary hypogene mineralization. Drill holes are also planned in the southwestern part of APV project where a comprehensive surface and drill core study on the alteration minerals related to the epithermal system using the PIMA was conducted over the alteration lithocap on the APV project. In the southern sector of the concession, a total of 2,149 samples were collected for PIMA readings from traverses along ridges and drainages where outcropping advanced argillic alteration and silicification are best exposed. An additional 371 readings were made from soil samples collected on a 50 m x 50 m grid in a target area located NNW of the Montenegro pit at the Pueblo Viejo Mine.

The current exploration program is following up on 17 targets delineated from geological mapping, geochemical and geophysical anomalies. The results of the PIMA readings 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 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 depth to test the South block of the concession and the possibility of mineralization beneath the lithocap. This program commenced during the quarter on March 24, 2011 with a Longyear 44 rig capable of drilling up to 600 meters. A second drill capable of drilling between 800 and 1200 meters arrived in the country in late April. Subsequent to quarter end, the drill started its first hole on the APV project.

Ponton (Loma Hueca)

During the six month period ended April 30, 2011, the Company started a detailed soil auger sampling program to refine the geochemistry targets on the property. The Company plans to test these targets with a drill program and is applying for environmental permits. Subsequent to the quarter end, on May 25, 2011, the Company announced it signed a letter of intent with Brigus whereby Everton will acquire Brigus' interest in the Ponton concession (refer to subsequent events).

La Cueva (Loma el Mate)

On August 12, 2010, the Company and Brigus signed an amended agreement whereby Everton can earn an additional 20% interest in the La Cueva concession by incurring an additional US$1,000,000 in exploration work. Subsequent to the quarter end, on May 25, 2011, the Company announced it signed a letter of intent with Brigus whereby Everton will acquire Brigus' remaining interest in the La Cueva concession (refer to subsequent events).

The Company is currently applying for an environmental permit to begin drilling.

Cuance and Los Hojanchos

During the quarter ended April 30, 2011, the Company started processing the renewal of the concessions, applying for environmental permits and advancing the community relations.

Fresso

During the quarter ended April 30, 2011, the Company completed a diamond drill program consisting of seven holes totaling 1,154 meters. Assay results are pending. The Company had until May 28, 2011 to make a final cash payment of US$150,000 (CAD $142,000) to acquire a 100% interest in the property. Subsequent to quarter end, on May 27, 2011, the Company was granted a two month extension to make the final cash payment. The extension expires July 28, 2011.

Sufficient work has been performed on the Cuance, Los Hojanchos, La Patilla, Corralitos, Piedra Blanca, Maimon Group of concessions, La Cueva (formerly Loma el Mate), Jobo Claro, and La Mireya properties. The concessions are in good standing and the Company continues their evaluation.

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

On September 27, 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 its wholly-owned subsidiary HLG to Kaskattama Inc. (``Kaskattama``), for a total consideration of approximately $7.9 million. HLG holds the Shoal Lake Gold properties comprised of two significant high grade gold deposits: Duport and Cedar Island, on 81.3 km2, located in the Shoal Lake area, near Kenora, Ontario.

The $7.9 million consideration is allocated as follows:

- a non-refundable amount of $234,000 which was paid to the Company;
- a non-refundable amount of $57,000 paid to the Company on March 31, 2011;
- $2.0 million in cash to be paid upon execution of a final Sale and Purchase Agreement
- 14.0 million shares of Kaskattama at a minimum price of $0.40 per common share

The transaction is subject to various conditions customary to this type of transaction, among which:

(a) Completion by Kaskattama of a legal, technical, and environmental due diligence investigation on HLG and its business with the results of such investigation being acceptable to Kaskattama in its sole and absolute discretion, which has been completed;
(b) Successful financing to allow Kaskattama to make the $2.0 million cash payment to Everton. Kaskattama had until March 1, 2011 to confirm to the reasonable satisfaction of Everton that Kaskattama is able to make such payment;
(c) Listing of Kaskattama's common shares on the TSX or TSX-V by no later than March 31, 2011.

The deadline to meet conditions (b) and (c) were extended until August 31, 2011.

Kaskattama is a Canadian controlled private corporation based in Toronto, Ontario. It was incorporated under the *Business Corporation Act* (Ontario) on July 11, 2007. Kaskattama has a mining business development plan targeting undeveloped assets for near term resource development. It has a Canadian focus with preference given to partnerships with First Nations.

Everton purchased HLG on September 17, 2009 through the issuance of 11,999,938 common shares at a fair value of $0.17 per share plus certain other costs for a total purchase price of $2.4 million. Including the cost of the acquisition and all property related payments and exploration expenditures capitalized to date, the current carrying value of properties being sold to Kaskattama is approximately $4.5 million. Based on the above purchase price, Everton expects to realize a minimum gain of $3.1 million using a value of $0.40 per Kaskattama common share.

Hemlo West Properties

The HLG portfolio also includes a package of highly prospective properties, Hemlo West Properties, 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.

Subsequent to quarter end, on May 17, 2011, the Company announced it finalized the sale of its 100% interest in Hemlo West properties located at Hays Lake, near Schreiber, Ontario, to Strike Minerals Inc. Under the terms of the agreement, Everton will receive $100,000 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. In addition, Everton has a right to nominate one Director to sit Strike's Board.

<u>Quebec</u>

Opinaca

The Opinaca A property is adjacent to the northern boundary of Goldcorp's Eleonore property hosting the Roberto gold deposit containing an estimated 3.0 million ounces of proven and probable gold reserves at an average grade of 7.56 g/t Au and 4.2 million ounces of inferred gold resources at an average grade of 10.95 g/t Au; (Source: Goldcorp - MD&A, for the first quarter ended March 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 km2. Everton earned its 50% interest after completing exploration programs totaling $4,800,000 and cash payments totaling $540,000 over a 5-year period.

Exploration work performed by the partners since 2005 led to the discovery of significant gold mineralization including the Charles, Smiley and Inex prospects at Opinaca A, as well as the Dominic and Claude prospects at Opinaca B, for which results have been previously reported. The Claude prospect is considered to be one of the most significant discoveries at Opinaca with a drill intercept of 0.21 g/t Au over 186.8 m, including 1.0 g/t Au over 21.5 m. Several attractive well-defined targets on the two properties have yet to be drilled.

On September 16, 2010, the Company and Azimut Exploration Inc. ("Azimut") announced the signing of a letter of intent with Aurizon whereby Aurizon can acquire up to an undivided 60% ownership interest in the Opinaca property, in which Everton and Azimut each hold an undivided 50% interest.

The key terms of the letter of intent are as follows:

- Aurizon can earn a 50% interest in the property by making cash payments totalling $580,000 and incurring expenditures of $6,000,000 over four years, including 5,000 meters of core 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 over three years from the election date, incurring 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 6.0 g/t Au, are estimated, Aurizon shall make a payment of $1,500,000, payable in Aurizon common shares, subject to regulatory approval.

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 October 19, 2010, Company announced the signing of a formal 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 $550,000 (of which $250,000 was paid through a subscription to the October 15, 2010 private placement) and incurring expenditures of $3,250,000. The key terms of the agreement are as follows:

- Aurizon can earn a 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 totalling $300,000 over three years from the election date, and delivering an independent pre-feasibility study by the end of the fourth anniversary of the election date.
- 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 6.0 g/t Au, are estimated, Aurizon shall make a payment of $1,500,000 payable in Aurizon common shares, subject to regulatory approval.

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 plans to initiate an exploration program of surface sampling, geophysical surveys and drilling at the Opinaca-Wildcat properties in 2011 at a budgeted cost 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.

Sirmac Lithium property

On January 7, 2011, the Company completed the sale of its Sirmac Lithium property to Nemaska in exchange for a cash payment of $30,000, 500,000 common shares of Nemaska (valued at $275,000) and 500,000 warrants of Nemaska (valued at $123,025), each warrant entitling the Company to purchase one common share of Nemaska at a price of $0.60 until January 7, 2013. The Company also retained a 1% NSR which can be purchased for $1,000,000

Everton will receive an additional 250,000 shares and 250,000 warrants if Nemaska does not complete the spin-off of its non- lithium assets by June 30, 2011.

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.

The Company is currently looking for a partner to advance the Hot Springs property.

Qualified person

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

Selected Financial Data

The following selected financial data are derived from the consolidated financial statements of the Company, which were prepared in accordance with Canadian generally accepted accounting principles.

Selected Consolidated Financial Information

	Three months Ended April 30, 2011	Three months Ended April 30, 2010	Six months Ended April 30,2011	Six months Ended April 30, 2010
	$	$	$	$
Statement of Operations and Deficit summary				
Total operating expenses	933,831	647,588	1,420,490	1,256,870
Write-down of deferred exploration expenses	-	256,630	53,455	256,630
Interest and other income	4,102	1,086	6,865	18,398
Net loss	972,824	736,470	166,536	1,323,329
Basic and diluted net loss per common share	0.009	0.009	0.002	0.017
Basic and diluted weighted average number of common shares outstanding	104,143,919	78,683,057	103,319,292	77,896,182
Statement of Deferred Exploration Expenses Summary				
Deferred exploration expenses before write-down, tax credits and mining duties	1,182,540	1,817,408	1,918,736	2,501,748
Statement of Cash Flows summary				
Cash flows used in operating activities	836,337	298,758	1,027,747	659,964
Cash flows used in investing activities	1,215,180	1,907,763	1,162,263	2,344,320
Cash flows from financing activities	182,157	1,978,268	748,301	1,977,138
Effect of exchange rate fluctuations on cash and cash equivalents	4,122	(4,128)	3,862	1,240
Decrease in cash and cash equivalents	1,865,238	232,381	1,437,847	1,005,906

	April 30, 2011	October 31, 2010
	$	$
Balance Sheet summary		
Cash	545,563	1,983,410
Short-term investments	337,469	-
Marketable securities	1,062,345	5,500
Long-term investment	4,590,000	1,277,862
Mineral exploration properties	5,959,630	5,885,288
Deferred exploration expenses	15,591,826	13,751,411
Shareholders' equity	28,057,688	22,842,295
Total assets	28,577,607	23,104,522

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 programs and its future growth, and any other factor that the Board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

Results of Operations

During the second quarter ended April 30, 2011, the Company reported a net loss of $927,824 ($0.009 loss per share) compared to a net loss of $736,470 ($0.009 loss per share) during the comparative period in 2010. During the six month period ended April 30, 2011, the Company reported a net loss of $166,536 ($0.002 loss per share) compared to a net loss of $1,323,329 ($0.017 loss per share) during the comparative period in 2010.

The loss from operations for the three months ended April 30, 2011 was $933,831 and the Company realized a net loss of $972,824. This difference was due mostly to the recognition of an unrealized loss of $43,095 on 500,000 warrants to purchase Nemaska shares received as consideration for the sale of interest in the Sirmac property (refer to `Exploration Activities` section for details on the sale) and interest income recognized for the quarter of $4,102 as compared to $1,086 for the second quarter ended April 30, 2010. This increase in interest income is attributable to modest increases in interest rates on short term investments and cash equivalents.

Expenses totaled $933,831 during the second quarter ended April 30, 2011 ($1,420,490 for the six month period ended April 30, 2011), compared to $647,588 during the same period ended April 30, 2010 ($1,256,870 for the six month period ended April 30, 2010). The increase in operating expenses in the second quarter ended April 30, 2011 are mainly attributed to :

- Stock-based compensation totaled $444,571 during the second quarter ended April 30, 2011 ($486,897 for the six months ended April 30, 2011) compared to $52,436 in the second quarter ended April 30, 2010 ($285,861 for the six month period ended April 30, 2010) due to the Company granting 2,150,000 stock options to employees, consultants, officers and directors.

- Salaries and benefits totaled $170,211 during the second quarter ended April 30, 2011 ($281,222 during the six month period ended April 30, 2011) compared to $105,382 during the second quarter ended April 30, 2010 ($232,370 during the six month period ended April 30, 2010). The increase is attributed to the company increasing the number of its employees.

- Management and consulting fees totaled $56,061 during the second quarter ended April 30, 2011 ($121,402 during the six month period ended April 30, 2011) compared to $23,000 during the second quarter ended April 30, 2010 ($82,163 during the six month period ended April 30, 2010). These fees increased due to the Company's increased activities related to the continued evaluation and exploration of its mineral interests in the Dominican Republic and optioning and divesting mineral interests in Canada.

- Professional fees totaled $59,885 during the second quarter ended April 30, 2011 ($143,731 during the six month period ended April 30, 2011) compared to $35,346 during the second quarter ended April 30, 2010 ($85,937 during the six month period ended April 30, 2010). The increase in professional fees is mainly due to legal fees incurred related to increased optioning and divesting activities and audit fees.

- General expenses totaled $50,427 during the second quarter ended April 30, 2011 ($72,398 during the six month period ended April 30, 2011) compared to $30,041 during the second quarter ended April 30, 2010 ($80,297 during the six month period ended April 30, 2010). The increase in expenses is attributed to the Company's increased operations in the quarter.

- Travel and promotion expenses totaled $128,306 during the second quarter ended April 30, 2011 ($214,897 during the six month period ended April 30, 2011) compared to $117,158 during the second quarter ended April 30, 2010 ($183,005 during the six month period ended April 30, 2010) due to the Company's continued aggressive marketing campaign during the period.

Quarterly Information

The following selected financial data are derived from the unaudited interim financial statements of the Company, which were prepared in accordance with Canadian generally accepted accounting principles.

Quarter Ended	Other Income	Net Earnings (Loss)	Basic and Diluted Net Earnings (Loss) per Common Share
	$	$	$
30/04/2011	4,102	(972,824)	(0.009)
31/01/2011	2,763	806,288	0.007
31/10/2010	1,951	(620,247)	(0.007)
31/07/2010	-	(475,824)	(0.005)
30/04/2010	1,086	(736,470)	(0.010)
31/01/2010	17,312	(586,859)	(0.008)
31/10/2009	5,718	(870,954)	(0.013)
31/07/2009	3,276	(549,701)	(0.010)
30/04/2009	54,960	(364,242)	(0.006)

During the quarter ended January 31, 2011, the Company realized total earnings of $806,288 due mostly to the recognition of proceeds 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. In addition, during the period, the Company sold 600,000 shares of Focus for net proceeds of $277,977 and realized a gain of $241,977.

Liquidity and Capital Resources

As at April 30, 2011, the Company had a working capital surplus of $1,857,210 ($1,906,413 at October 31, 2010). The working capital includes cash and cash equivalents of $545,563 ($1,983,410 as at October 31, 2010) and $337,469 in short-term investments. The $545,563 in cash and cash equivalent includes investment savings account balances totaling $314,746 ($Nil in cash equivalents as at October 31, 2010).

During the period, the Company incurred $1,170,428 exploration expenditures on its mineral interests in the Dominican Republic, and incurred operating expenses of $487,969.

The Company's principal requirements for cash for the next twelve months will be administrative and general expenses for approximately $800,000 and exploration expenditures for approximately $2.0 million. In addition, 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):

	2011	2012
	$	$
Cash payments	408	9,788 (1)
Exploration expenses	70	3,500 (2)
Total	478	13,288

(1) $9,437 of this amount is due during the 4th quarter of 2012.
(2) This exploration work commitment has to be met by October 31, 2012.

On September 1, 2010, as amended by a formal agreement in February 2011, the Company signed a binding letter agreement to sell the Shoal Lake properties to Kaskattama (refer to `Èxploration Activities` section for details), which will relieve the Company from the remaining cash payments and exploration work commitments included in the table above, once the sale transaction with Kaskattama is finalized. As per this agreement, Kaskattama has been nonetheless committed to make the ongoing option payments and therefore it had made cash payments totalling $291,000 to date.

With a working capital surplus of $1,857,210 (including $545,563 in cash and cash equivalents and $337,469 in short-term investments and $519,919 in current liabilities), together with total proceeds of $1,058,311 from the sale of marketable securities ($601,429) and long-term investment ($456,882) subsequent to quarter end, the Company anticipates having sufficient cash to meet its current obligations, undertake its drilling program on the Company's Dominican properties and meet its corporate administrative expenses for several months. In addition, the Company holds long term investments in other publicly traded companies, currently valued at approximately $4,590,000, which will provide the Company with additional funding. However, this investment portfolio is subject to fluctuations in market prices and most of the investment is subject to a 36-month staged release escrow.

The planned divestiture of the Company's 100%-owned subsidiary HLG containing the Shoal Lake properties is expected to close by August 31, 2011 and provide additional internal funding of approximately $7.6 million to the Company. However, should this transaction not be successful, the Company will be required to find other financing alternatives, through various means including but not limited to divesting HLG 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 that the Company will be successful in raising the additional required funds.

Off Balance Sheet Arrangements

As of April 30, 2011, the Company had no off balance sheet arrangements.

Related Party Transactions

Under an agreement between the Company and Majescor Resources Inc. ("Majescor") (which shares common management), the Company charges Majescor for shared salaries and benefits, rent and office expenses. During the three and six months ended April 30, 2011, the cost of shared salaries and benefits was $14,250 and $28,500 respectively ($14,250 and $28,500 in the comparative periods in 2010) and rent and office expenses were $714 and $1,428 respectively ($714 and $1,428 in the comparative periods in 2010). Included in amounts due from related parties is $5,019 ($Nil as at October 31, 2010) due from Majescor. Subsequent to quarter end, the full amount was received by the Company. The cost sharing agreement between the Company and Majescor was terminated effective May 31, 2011.

Under an agreement between the Company and Adventure Gold Inc. ("Adventure") (which shared common management), the Company charged Adventure for shared salaries and benefits, rent and office expenses. During the three and six months ended April 30, 2011, the cost of shared salaries and benefits was $Nil and $7,500 respectively ($22,500 and $45,000 in the comparative periods in 2010) and rent and office expenses were $Nil and $500 respectively ($1,500 and $3,000 in the comparative periods in 2010). Included in amounts due from related parties is $Nil ($Nil as at October 31, 2010) due from Adventure. The cost sharing agreement between the Company and Adventure was terminated effective December 1, 2010.

Under an agreement between the Company and Focus (which shares common management), the Company charges Focus for shared salaries and benefits, rent and office expenses. During the three and six months ended April 30, 2011, the cost of shared salaries and benefits was $17,010 and $34,020 respectively ($Nil and $Nil in the comparative periods in 2010) and rent and office expenses were $6,990 and $13,980 respectively ($Nil and $Nil in the comparative periods in 2010). Included in amounts due from related parties is $18,240 ($Nil as at October 31, 2010) due from Focus. The full amount was received in full subsequent to quarter end.

These transactions were measured at the exchange amount, that is the amount established and accepted by the parties and were conducted in the normal course of business.

The amounts due from related party are without interest or specific terms of repayment.

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, the Company recorded no write-downs for the second quarter ended April 30, 2011. In first quarter ended January 31, 2011, the Company recorded a write-down of $53,455 ($Nil in 2010) 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.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, short term investments, marketable securities, accounts receivable, amounts due from related parties, long term investment, accounts payable and accrued liabilities and other current liabilities. The fair value of these financial instruments approximates their carrying value. It is management's opinion that the Company is not exposed to significant credit risks arising from these financial instruments. The fair value of marketable securities, other than those classified as held-for-trading, and long-term investment are based on unadjusted quoted prices in active markets.

Critical Accounting Policies and Estimates

The preparation of the Company's consolidated financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mining assets (mineral exploration properties and deferred exploration expenses), the ability to continue as a going concern and the valuation of stock-based compensation, warrants and tax credits and mining duties receivable. The estimates and valuation assumptions related to the recoverable value of mining assets were made by management using careful judgment, based on the most current geological information available and its planned course of action, as well as on assumptions about future business, economic and capital market conditions. The estimates that are inherent in the calculation of stock-based compensation and warrants are based on management's current judgment of future dividend disbursements, the volatility of the Company's stock price, interest rates and the expected life of the options and warrants. Actual results could differ from estimates used in preparing these consolidated financial statements and such differences could be material.

Future Accounting and Reporting Changes

International Financing Reporting Standards (``ÌFRS``)

The Canadian Accounting Standards Board requires all public companies to adopt International Financial Reporting Standards ("IFRS") for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal period. The transition from Canadian Generally Accepted Accounting Principles to IFRS will be applicable for the Company's first quarter ended January 31, 2012. Although IFRS employs a conceptual framework that is similar to Canadian GAAP, there are some differences in recognition, measurement, and disclosure. It is anticipated however that the Company's financial results and financial position as disclosed in the Company's current Canadian GAAP financial statements will not be significantly different when presented in accordance with IFRS.

The Company has developed and implemented a project plan to ensure full compliance with this requirement by 2011. The following is a summary of the four primary phases of the plan and the expected timing of activities related to the Company's transition to IFRS.

- *Diagnostic impact assessment phase*: this phase consists of performing an Initial analysis of key areas for which changes to accounting policies may be required. While an analysis will be required for all current accounting policies, the Company has performed a review as to the most significant areas of difference to the Company which include:

  - IFRS 1 First-time adoption of International Financial Reporting Standards
  - IFRS 2 Share-based payment
  - IFRS 6 Exploration and evaluation
  - IAS 1 Presentation of financial statements
  - IAS 12 Accounting for income taxes
  - IAS 16 Property, plant and equipment
  - IAS 21 Effects of changes in foreign exchange rates
  - IAS 32 financial instruments presentation
  - IAS 36 Impairment of assets

- *Design, planning and solution development phase*: this phase involves the development of the detailed plan for convergence and implementation, analyses of policy alternatives allowed under IFRS, the specification of changes required to existing accounting policies, and the development of solutions for information systems and business processes. The Company is at the stage of completing its detailed analysis of the standards and expects to complete this phase by the end of the third period ending July 31, 2011. To date, the Company has identified a number of accounting differences and policy alternatives, including one-time accounting alternatives under IFRS. As part of its analysis of potential changes to significant accounting policies, the Company is assessing what changes may be required to its accounting systems and processes. The Company believes that the changes identified to date are minimal and the current systems and processes will be able to accommodate the necessary changes. The Company's staff which is involved in the preparation of financial statements is being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies.

- *Implementation phase*: This phase includes the completion and formal authorization of recommended changes to accounting policies, including transition elections to apply changes retroactively or prospectively, the execution of changes to information systems and business processes, delivery of training programs across the Company and the preparation of the opening balance sheet and the quarterly and annual financial statements for both 2012 and the comparative 2011 fiscal years. In addition, the impact of IFRS on contractual arrangements will be addressed.

- *Post implementation phase*: This phase involves a compliance review of the conversion project to assess the accuracy and consistency with which IFRS accounting policies are being applied, the adoption of sustainable processes and procedures and the adequacy of information technology solutions, training programs and other business impact solutions.

Outstanding Share Data

Common shares and convertible securities outstanding at June 28, 2011 consist of:

Securities	Expiry Date	Range of Exercise Price	Number of Securities Outstanding
Common shares	-	-	104,707,885
Options	Up to February 15, 2016	$0.10 to $1.38	8,157,000
Warrants	Up to November 12, 2012	$0.25 to $0.40	15,410,205

Subsequent Event

Sale Agreement with Strike Minerals

On May 17, 2011, the Company announced the finalization of a contract to sell its 100% interest in a package of gold exploration properties located at Hays Lake, near Schreiber, Ontario, to Strike.

Under the terms of the agreement, Everton will receive $100,000 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. In addition, Everton has a right to nominate one Director to sit on Strike's Board.

Granting of Stock Options

On May 24, 2011, 550,000 stock options were granted to a Director and certain consultants at an exercise price of $0.35, expiring on May 24, 2011.

Letter of Intent to Buy Remaining Interest in APV Project and Two Other Dominican Properties

On May 25, 2011, the Company announced the signing of a letter of intent with Brigus whereby Everton will acquire Brigus' remaining interest in the APV project, Ponton and La Cueva concessions in the Dominican Republic ("the Concessions").

Under the terms of the letter of intent, Everton must complete a minimum $5 million financing, pay Brigus $1 million cash and issue Brigus 15 million common shares in the Company. Brigus will also receive a sliding scale NSR 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% when the price of gold is above $1,400 per ounce.

In addition, Everton is required to incur a minimum $5 million in exploration expenditures on the Concessions over the next two years, $4 million on APV project and $500,000 on each of Ponton and La Cueva. Upon 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 project and 1.5 g/t AuEq for Ponton and La Cueva), Everton will pay Brigus an additional $5 million or issue 5 million common shares, whichever has the greater value.

Public Offering of Units and Subsequent Cancellation

On June 7, 2011, the Company announced that it has filed a preliminary short form prospectus dated June 7, 2011 in connection with a proposed marketed public offering of Units in the provinces of British Columbia, Alberta and Ontario on a fully-marketed best efforts agency basis for minimum gross proceeds to Everton of $5 million and maximum gross proceeds to be determined. On June 22, 2011, the Company announced that it has cancelled the above mentioned financing.

Sale of Marketable Securities and Long-term Investment

In May 2011, Everton sold 5,819,000 shares of NQ for net proceeds of $601,429, and no longer holds any NQ shares.

In May 2011, 600,000 shares of Focus were released from escrow to the Company, and in May and June 2011, a total of 520,000 of these shares were sold for net proceeds of $456,882.

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 (NQE.V, FMS.V, STK.V, and NMX.V). The investments are currently valued at approximately $5.6 million. However, this investments portfolio is subject to fluctuations in market prices and may result in a significant decrease of its 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. Movement in the Canadian dollar against these currencies therefore has a direct impact on the Company's cost base. 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.

Risk on the uncertainty of closing on-going transaction
The planned divestiture of the Company's 100%-owned subsidiary HLG containing the Shoal Lake properties is expected to close in September, 2011 and provide internal funding of approximately $7.9 million to the Company. However, there is no assurance that the closing of the transaction will be successful.

Additional Information and Continuous Disclosure

This Management's Discussion and Analysis has been prepared as of June 28, 2011. Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR (www.sedar.com).

(s) André Audet	*(s) Judith T. Mazvihwa-MacLean*
Chairman of the Board and Chief Executive Officer	Chief Financial Officer