Canadian Imperial Venture Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended November 30, 2011

This management discussion and analysis ("MD&A") prepared as of March 28, 2012 is a review of the operational and financial results of Canadian Imperial Venture Corp. (the "Company" / "CIVC") based upon Canadian generally accepted accounting principles ("GAAP"). The focus is primarily a comparison of the operational and financial performance for the three and twelve months ended November 30, 2011 and November 30, 2010 and should be read in conjunction with the audited statements for the years ended November 30, 2011 and 2010.

Additional information relating to Canadian Imperial Venture Corp. and its vision, strategies and operations, is available in the financial statements for the year ended November 30, 2011 on SEDAR at www.sedar.com.

Forward-looking Statements

Statements throughout this report that are not historical facts may be considered "forward-looking statements". These forward-looking statements sometimes address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, funding from other sources, statements regarding exploration results, potential oil and gas resources, future production and the Company's exploration and development plans and objectives). These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realised or substantially realised, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to establish estimated oil and gas reserves, failure to establish estimated mineral reserves, the possibility that future exploration results will not be consistent with the Company's expectations, uncertainties relating to the availability and costs of financing needed in the future, changes in commodity prices, changes in equity markets, political developments in western Newfoundland, the uncertainties involved in interpreting exploration results and other geological data, and the other risks involved in the oil and gas exploration and development industry.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Review of Audited Financial Statements

As stated above, the financial statements for the twelve months ended November 30, 2011 have been prepared in accordance with Canadian GAAP. Accounting policies, as presented in the Company's audited financial statements for the year ended November 30, 2011, have been consistently applied in preparing the financial statements except as disclosed.

The financial statements of the Company have been prepared by and are the responsibility of the Company and its Management. The interim financial statements have been reviewed and approved by the members of the audit committee and the Board of Directors.

OIL AND GAS PROPERTIES AND RESULTS OF OPERATIONS

Lands Sold During 2011 – Exploration Licence 1070 / Exploration Licence 1120 – Western Newfoundland

On October 25, 2011, the Company announced that at its Annual and Special General Meeting held on October 24, 2011, it had received shareholder approval for the purchase and sale agreement (the "Agreement") dated for reference September 23, 2011, between the Company and Shoal Point Energy Ltd. ("Shoal Point"), pursuant to which, the Company sold its working interests in offshore exploration licence #1070, its rights to participate in a farmout arrangement relating to offshore exploration licence #1120 and its interest in an Area of Mutual Interest Agreement with Shoal Point (collectively, the "Transaction"). The lands are located in Western Newfoundland covering the Port au Port Bay.

The Company also announced the closing of the Transaction, which took place October 25, 2011 (the "Closing Date"). Pursuant to the Agreement, the Company acquired 20,000,000 units (the "Units") of Shoal Point. Each Unit is comprised of one common share (each an "Acquired Common Share") and one-half of one common share purchase warrant (each whole such warrant, an "Acquired Warrant") of Shoal Point. Each Acquired Warrant is exercisable to acquire an additional common share of Shoal Point at an exercise price of $0.40 per share for a period of two years from the Closing Date.

Shoal Point also paid to the Company $300,000 in cash on the Closing Date, and has agreed to pay an additional $200,000 (the "Final Cash Payment") on the date that is six months after the Closing Date. At November 30, 2011, 1 million shares of SPE were held in escrow in the event the final payment was not received. Subsequent to year end, the $200,000 was received from SPE and the shares were released from escrow. Concurrent with the sale, all outstanding debt between SPE and CIVC relating to certain drilling activities was extinguished on the transaction closing.

Gross Overriding Royalty Currently Held: Petroleum Permit Nos. 03-101 (Portland Creek) and 03-103 (Parson's Pond)

Gross Overriding Royalty:

- Canadian Imperial Venture Corp. 1.5%

On September 10, 2009, the Company announced that it had entered into an agreement with Tectonics Inc. of Calgary, Alberta, to acquire a 1.5% Gross Overriding Royalty on Petroleum Permit No. 03-101 (Portland Creek) and No. 03-103 (Parson's Pond) onshore Western Newfoundland.

On August 7, 2009, Nalcor Energy announced that it had acquired an average 67% working interest in three exploration permits, including the above-mentioned permits No. 03-101 and No. 03-103.

Should Nalcor be successful in establishing production, CIVC is entitled to receive a 1.5% gross royalty on all production from permits 03-101 and 03-103, which royalty may be taken in cash or in kind. CIVC has no further financial obligations in the exploration and development of the permits, beyond the acquisition cost of the royalty.

In 2010, Nalcor has drilled two wells in a planned three well program and suspended operations pending a review of the two wells drilled. The two wells that were drilled by Nalcor encountered natural gas.

MINERAL PROPERTIES AND RESULTS OF OPERATIONS

Little Bear Lake, Manitoba

On February 2, 2012, the Company announced that it had entered into an arm's length letter of intent (the "LOI") with Carina Energy Inc. ("Carina"), a private mining exploration company based in Toronto, Ontario, whereby CIVC will acquire all of the issued and outstanding securities of Carina (the "Acquisition").

On March 28, 2012 the parties entered a new agreement whereby CIVC proposes to farm-in, for a 55% working interest, to the Little Bear Lake Property (the "Property") of Carina. It is proposed the Company will deliver to Carina 6 million shares on the closing date and on the first anniversary of the closing date the Company will deliver an additional 5 million shares to Carina. The Company would be required to spend $600,000 of expenditures on the property within two years of the closing date and would be responsible for certain obligations which are anticipated to be $320,000 payable 50% in cash and 50% in CIVC shares. The letter of intent is subject to, among other things, acquisition of a strategic claim, execution of a definitive joint venture or farm in agreement and receipt of all requisite regulatory approvals including the TSX Venture Exchange.

Carina's principal property is the Little Bear Lake claim block in eastern Manitoba, consisting of 17 claims or 2149 hectares, in which it is currently earning a 100% interest. Here, numerous high grade gold veins have been trenched and sampled over several decades, and grades from grab samples commonly show 1 to 5 oz gold/tonne, and range up to 11 oz gold/tonne. Carina's geological team has applied modern exploration methods and concepts to recognize that the gold-bearing lode veins occur in a stratigraphic horizon that extends for at least 8000 metres along strike, at a width of several hundred metres.

Carina Energy has completed reconnaissance, geological mapping, prospecting, and a 2010 drill program totalling 1,679 m on the Treasure Vein. Highlights of 2011 prospecting and sampling, which duplicated historical results include:

Location and Vein Name	**Grab Sample Grades (g Au/T)**
Jet Vein Ore Dump	259, 110
Jet Vein	183, 62.2, 33.3
Silver Fox Vein	64
Treasure Vein East	63
Gold Pan Vein	155
Rush Vein	64

Initial shallow drilling of 12 holes on the Treasure Vein encountered numerous intersections of gold grades greater than 0.5 g Au/T, with the best results as follows:

Drill Hole	**from (m)**	**to (m)**	**Intersection Width (m)**	**Gold Grade g Au/T**
CE10-10	40.4	60.7	20.3	0.741
including	55.7	59.9	4.2	3.26
	57.1	57.9	0.80	9.20
CE10-12	63.0	66.5	3.5	2.504

Drilling of the Treasure Vein has shown 1) existence of gold in wall-rock to high-grade veins; 2) a systematic increase in grade, from east to west and 3) intersections with grades and widths, which in analogous geological environments (Goldex "GZ" deposit, Val d'Or; Hammond Reef in the Marmion batholith, and mines in the Bourlamaque batholith, Val d'Or) are amenable to open pit mining.

CIVC is planning a systematic exploration program to evaluate and develop the gold potential of the property. The program will include: satellite lineament study, line cutting, ground gradient magnetic and VLF surveys, geological mapping, prospecting and diamond drilling. CIVC will also assume Carina's obligations under the earning agreement on the Little Bear Lake properties where Carina must pay $5,000 by March 12, 2012; $70,000 by May 12, 2012; and $150,000 by November 12, 2012.

The Carina deal allows CIVC to benefit from the addition of experienced Carina consultants and key contractors, including Mr. Bill Love, President of Carina, with over 28 years in the industry, and Dr. Ulrich Kretschmar, who has 30 years experience as a gold exploration geologist.

Qualified Person, Verification, Quality Control and Assurance

Samples of drill core were saw cut, with half the cut core placed in individual sealed bags and half placed back in the original core box for permanent storage. Drill core and grab samples were delivered directly by Carina Energy personnel to the Cattarello Assay lab in Timmins where gold was determined by fire assay fusion with Atomic Absorption Spectroscopy (AAS) finish.

Dr. Ulrich Kretschmar, President of Golden Scarab Corporation and a Qualified Person as defined by Canadian National Instrument 43-101, has reviewed the information contained in this news release and has verified the analytical data for samples disclosed in this release by reviewing the blanks, duplicates and certified reference material that the Company inserted into the sample stream and confirming that they fall within limits determined as acceptable by industry practice.

<u>Odd Twins, Newfoundland</u>

On October 1, 2010, the Company entered into an agreement with Tectonics Inc. of Calgary, Alberta to earn a 40% interest in Mineral License 016508M, which comprises 68 mineral claims (1700 hectares) and 40% interest in Mineral License 018387M, which comprises of 3 mineral claims (75 hectares) on Long Point and extending offshore immediately west of Long Point on the Port au Port Peninsula, in Western Newfoundland (“Option #1”). The purchase was made through the expenditure of $210,000 on the exploration of the property, issuance of 3,000,000 common shares of the Company and the granting of a 2% Net Smelter Royalty on production from the earned interest. On December 29, 2010, the Company received earning acknowledgment for its 40% working interest in the two mineral licenses per the agreement dated October 1, 2010.

Note: Mineral Licenses 016508M and 018387 have lapsed.

Financial Highlights for the Year Ended November 30, 2011

The Company is primarily in the exploration phase and in the prior year sold all interests in producing wells that had generated petroleum and natural gas revenues.

Working Capital - As at November 30, 2011, the Company had working capital of $3,078,488 compared to a working capital of $770,201 as of November 30, 2010.

Current Assets – Current assets at November 30, 2011 totaled $3,425,145 compared to $1,231,244 as at November 30, 2010. This balance is comprised of cash, accounts receivable, reclamation deposit, prepaid expenses and investment. The increase in current assets is due to the investment acquired from sale of petroleum and natural gas properties during the year and also a result trade receivables increased between November 30, 2011 and November 30, 2010.

Petroleum and Natural Gas Properties – The Company currently holds no petroleum and natural gas properties with a recorded value of $nil (2010 - $158,058). The following schedule summarizes the changes in petroleum and natural gas properties during the year:

Petroleum and Natural Gas Properties, November 30, 2010	**$ 158,058**
Costs capitalized in the year	2,872,041
Impairment	127,050
Sale of certain petroleum and natural gas properties	2,903,050
Petroleum and Natural Gas Properties, November 30, 2011	**$ Nil**

Additional information on petroleum and natural gas properties is included in the annual financial statements.

Mineral Exploration Properties – The Company currently holds no mineral exploration properties with a recorded value of $nil (2010 - $375,000). The following schedule summarizes the changes in mineral exploration properties during the year:

Mineral Exploration Properties, November 30, 2010	**$ 375,000**
Costs capitalized in the year	107,188
Impairment	482,188
Mineral Exploration Properties, November 30, 2011	**$ Nil**

Additional information on mineral exploration properties is included in the annual financial statements.

Property Deposits – As at November 30, 2011 the Company had property deposits of $55,568 (2010 - $54,984). Deposits at November 30, 2011 are held with the Energy Resources Conservation Board.

Current Liabilities – Current liabilities decreased from $461,043 at November 30, 2010 to $346,657 at November 30, 2011. The balance at November 30, 2011 represents normal trade payables and the decrease is a result of timing.

General and Administrative - General and Administrative expenses decreased from $954,528 at November 30, 2010 to $776,058 for the year ended November 30, 2011. General and administrative expenses include the following material components for the twelve months ended November 30, 2011 and November 30, 2010:

	2011	**2010**
	$	$
Office and shareholder information	98,401	103,172
Professional and filing fees	238,103	279,163
Promotion and travel	109,675	159,160
Service contracts and wages	329,879	413,033

The decrease in professional and filing fees, promotion and travel and service contracts and wages are due to the fact that the Company has focused its efforts in one sector namely mineral resources and one geographic location. Office and shareholder information have remained consistent during the year.

Stock Based Compensation – During the year ended November 30, 2011 the Company recorded stock based compensation expense of $561,305 (2010 - $620,843). This relates to 9,100,000 and 3,900,000 stock options for common shares issued on May 2, 2011 and June 17, 2011 respectively, to employees, consultants and officers which vested at the date they were issued. The exercise price is $0.10 per share and the options expire on December 14, 2014. It also relates to 5,000,000 stock options which were issued for common shares on September 30, 2011 to an investor relations consultant which vested in equal amounts on the third, sixth, ninth and twelfth month anniversary of the grant date. The exercise price is $0.10 per share and these options expire on March 31, 2013. Further information on the Company's stock option plan agreement can be found in the 'Incentive Share Option Plan' section of this document and in the notes to the financial statements for November 30, 2011 and November 30, 2010.

Asset Retirement Obligations – During the year the Company incurred asset retirement obligations of $48,125 (2010 - $nil) this was also disposed of during the year due to the sale petroleum and natural gas properties. The expected cash flow required to settle the obligation at year end is $5,537 (2010 - $5,537).

Private Placement Financing – There were no private placement in 2011. During the prior year the Company completed a non-brokered private placement with three closings whereby 30,000,000 units at a price of $0.05 each were issued for gross proceeds of $1,500,000. Each unit is comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant with a total fair value of $0.018 per warrant, or $531,142 in aggregate. One warrant will entitle the holder to buy an additional share in the capital of the Company for a period of two years at a price of $0.10. A total of 9,050,000 of the 30,000,000 units were purchased by related parties.

In accordance with the terms of the 2009 private placement of the flow-through shares, the Company has to renounce for income tax purposes, exploration expenditures in the amount of $235,000. The Company spent $123,188 in the current year (2010 - $111,812) and had an unspent flow through commitment of $nil (2010 - $123,188) at year end.

Selected Annual Information

	Nov. 30, 2011	Nov. 30, 2010	Nov. 30, 2009
	$	$	$
Total Revenue	**3,677**	**7,977**	**115,179**
Net Income (Loss)	**1,215,600**	**(1,430,747)**	**(3,164,869)**
Basic and Diluted Income (Loss) per Share	**Nil**	**(0.003)**	**(0.007)**
Total Assets	**3,432,033**	**1,770,220**	**938,317**
Total Long-term Liabilities	**-**	**-**	**-**

The decrease in total revenue from 2009 is mainly due to the decrease in petroleum and natural gas revenue due to the sale of producing properties in the prior years, otherwise 2011 and 2010 revenue is consistent. The sale of the petroleum and natural gas properties contributed to the net income for the year ended November 30, 2011. The gain on the sale of certain resource properties is $3,270,764 (2010 – 10,500). During the year there were also impairment charges of $611,260 (2010 - $ nil) on petroleum and natural gas properties these items combined contributed to the net income in 2011 and explains the decrease in net loss compared to 2010.

Summary of Quarterly Results

For The Four Quarters Ended				
	Nov. 30/11	**Aug. 31/11**	**May 31/11**	**Feb. 28/11**
Revenue (including other income)	$3,173,836	$1,038	$150	$156
Net Income (loss)	2,211,912	(386,161)	(413,254)	(196,897)
Income (loss) per Share (basic and diluted)	0.07	(0.001)	(0.0015)	(0.004)
	Nov. 30/10	**Aug. 31/10**	**May 31/10**	**Feb. 28/10**
Revenue (including other income)	$14,109	$81	$79	$4,208
Net Income (loss)	15,156	(204,115)	(287,751)	(954,037)
Loss per Share	0.00003	(0.0004)	(0.002)	(0.002)

Revenues have been consistent except in the 4th quarter due to gain on sale of property. Net losses for the other quarters increased and or decreased due to the issuance of stock options in that quarter. The balance of the expenses is for accounting, audit and professional fees and normal operating expenditures.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Share Capital Outstanding

Authorized share capital as at November 30, 2011: Unlimited.

Issued and outstanding share capital as at November 30, 2011: A total of 513,588,361 common voting shares and 51,000,000 warrants have been issued at a recorded value of $13,758,271.

.

Incentive Share Option Plan

At the 2006 Annual General Meeting the Company's incentive share option plan was replaced with a rolling stock option plan under which options to purchase common shares of the Company may be granted to directors, officers, employees and consultants of the Company.

Options granted must expire no later than a maximum of five years from the date of the grant while the Company's common shares are listed in Tier 2 of the TSX.V. At such time as the Company's common shares are listed in Tier 1 of the TSX.V or the Toronto Stock Exchange (TSX), options granted must expire no later than a maximum of 10 years from the date of grant.

Terms of the Plan are as follows:

1. The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant.

2. The number of shares which may be awarded to any one individual may not exceed 5% of the issued shares at the date of grant and the total number of options awarded to any consultant shall not exceed 2% of the issued and outstanding common shares at the time of the grant.

3. The total number of options awarded to all persons employed by the Company who perform investor relations activities shall not exceed 2% of the issued and outstanding shares of the Company in any twelve month period.

4. Under TSX Venture Exchange policy all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

5. The Plan does not require vesting provisions for options issued except in limited circumstances.

Options, Warrants and Convertible Securities Outstanding as at November 30, 2011:

On December 14, 2009, the Company granted to directors, officers, employees and consultants of the Company, Incentive Stock Options to purchase 17,700,000 common shares at an exercise price of $0.10 per common share vesting immediately. Subject to the early termination provisions of the Plan, the Options will expire on December 14, 2014. On March 17, 2010, the Company granted to consultants of the Company, Incentive Stock Options to purchase 1,000,000 common shares at an exercise price of $0.10 per common share which vested in equal amounts on the third, sixth, ninth and twelfth month anniversary of the grant date. Subject to the early termination provisions of the Plan, the Options will expire on March 17, 2012. There were no stock options issued in 2009.

Options:

Name	Securities Under Options Granted (#)	Exercise or Base Price ($/Security)	Date of Grant	Expiration Date
Gerard M. Edwards	2,550,000 3,300,000 2,000,000 2,333,333	$0.10 $0.10 $0.10 $0.10	May 2, 2011 Dec. 14, 2009 March 3, 2008 Sept. 11, 2007	May 2, 2016 Dec. 14, 2014 March 3, 2013 Sept. 11, 2012
Tina Ricketts	2,550,000 1,300,000 1,000,000 350,000	$0.10 $0.10 $0.10 $0.10	May 2, 2011 Dec. 14, 2009 March 3, 2008 Sept. 11, 2007	May 2, 2016 Dec. 14, 2014 March 3, 2013 Sept. 11, 2012
Robert G. Smiley	1,500,000 1,600,000 1,000,000 1,125,000	$0.10 $0.10 $0.10 $0.10	May 2, 2011 Dec. 14, 2009 March 3, 2008 Sept. 11, 2007	May 2, 2016 Dec. 14, 2014 March 3, 2013 Sept. 11, 2012
Jerome Byrne	1,500,000 1,600,000 1,000,000	$0.10 $0.10 $0.10	May 2, 2011 Dec. 14, 2009 March 3, 2008	May 2, 2016 Dec. 14, 2014 March 3, 2013
Sam Walters	300,000	$0.10	June 17, 2011	June 17, 2016
Employees / Consultants	5,000,000 3,600,000 1,000,000 7,700,000 4,000,000 4,666,666	$0.10 $0.10 $0.10 $0.10 $0.10 $0.10	Sept. 30, 2011 June 17, 2011 May 2, 2011 Dec. 14, 2009 March 3, 2008 Sept. 11, 2007	Mar. 31, 2013 June 17, 2016 May 2, 2016 Dec. 14, 2014 March 3, 2013 Sept. 11, 2012

On January 29, 2010, the Company announced that it had entered into an investor relations consulting agreement with Value Relations GmbH, as the Company's strategic advisor in Germany, Austria and Switzerland for a period of one year. In consideration for services provided, Value Relations received a fee of 40,000 Euros, payable in four quarterly installments, 20,000 Euros of which are included in accounts payable and accrued liabilities at year end, as well as 1,000,000 stock options exercisable at $0.10 per share for a period of two years**.** All stock options granted to Value Relations will vest in accordance with the stock option plan and option agreement between the Company and Value Relations and the policies of the TSX Venture Exchange. The consulting agreement, the payment of the cash fee and the issuance of stock options were subject to the approval of the TSX Venture Exchange, which was obtained on February 18, 2010. This agreement expired in 2011.

On February 27, 2011, the Company entered into a consulting agreement for investor relation services. Under this agreement, the Company will pay $2,500 per month for the first 6 months and then conduct a review. The Company will also allocate 5,000,000 stock options at a price of $0.10. These stock options were issued on September 30, 2011 and will vest in accordance with the stock option plan and option agreement between the Company and the policies of the TSX Venture Exchange.

Share Purchase Warrants:

As at November 30, 2011, there were:

Number	Exercise Price	Expiry Date
	$	
14,000,000	0.10	July 30, 2012
5,750,000	0.10	August 23, 2012
1,250,000	0.10	September 7, 2012
10,500,000	0.10	October 13, 2012
11,500,000	0.10	October 29, 2012
8,000,000	0.10	November 12, 2012
51,000,000		

Business Risks and Uncertainties

The mineral and oil and natural gas industries inherently have many risks associated with them. The risks can be summarized in terms of economic, financial, cost of capital and environmental risk. Economic risk is the risk of finding and producing reserves at a cost, which produces an economic return. Financial risk consists of marketing production at a reasonable price given market conditions. Cost of capital is the risk associated with the Company's ability to obtain capital to fund its activities at a reasonable cost. Finally, environmental risk is the risk of carrying out operations with potential for adverse impact upon the environment. The Company has also put in place a business strategy to mitigate these risks.

The Company prepares its reserve estimates in accordance with National Instrument 51-101, the new standards of disclosure for oil and gas activities. The oil and gas reserve estimates are also made using all available geological and reservoir data as well as historical production date. Estimates are reviewed and revised as appropriate. Revisions occur as a result of changes in prices, costs, fiscal regimes, reservoir performance or a change in the Company plans. Management is required to make judgments, assumptions and estimates in the application of generally accepted accounting principles that have a significant impact on the financial results of the Company.

Liquidity

The Company is in the process of exploring its mineral properties and has not determined whether these properties contain economically recoverable reserves. Continuance of this exploration process is dependant on the Company to obtain necessary financing for property development and exploration expenditures. Primarily, the Company obtains funds through the issuance of equity instruments, and to a lesser degree, proceeds from disposition of certain petroleum and natural gas and mineral properties. Management of the Company has estimated that it has adequate funds from existing working capital, joint venture arrangements and proceeds from the subsequent disposition of certain petroleum and natural gas and mineral property interests to meet its corporate, administrative and property obligations for the coming year.

Accounting Changes

International Financial Reporting Standards
In February 2008 the Accounting Standards Board confirmed that International Financial Reporting Standards (IFRS) will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Company's first mandatory filing under IFRS, which will be the first quarter of 2012, will contain IFRS-compliant information on a comparative basis, as well as reconciliations for that quarter and as at the December 1, 2010 transition date.

As a result, the Corporation will publish its first financial statements prepared in accordance with IFRS for the quarter ended February 28, 2012.

Critical Accounting Estimates

Impairment
The Company applies a ceiling test to the capitalized cost of its petroleum and natural gas properties to ensure that the net carrying value does not exceed the estimated value of future net revenues from estimated production or proven properties using prices and costs in effect at the Company's year end, less administrative, financing, site restoration and abandonment and income tax expenses, plus the cost of unproven properties. Any reduction in the net carrying value of petroleum and natural gas properties as a result of the ceiling test is charged to operations in the period that the impairment is identified.

The Company periodically reviews the costs associated with undeveloped properties to determine whether the costs will be recoverable. If the results of the review indicate impairment has occurred, the cost of the property or the amount of the impairment is added to the capitalized costs subject to the "ceiling test" and depletion and depreciation.

Investment
The Company is classifying the Investment as Held-for-trading. Held-for-trading instruments are measured initially and subsequently at fair value. There are both shares and warrants included in this investment. Since these shares have a four month restriction period the Company is therefore required to discount the estimate fair market value of the shares using the Black Scholes put pricing model. The warrant fair value is estimated using the Black-Scholes option model.

Provision for Asset Retirement Obligations
The Company follows the current recommendations of the Canadian Institute of Chartered Accountants on accounting for asset retirement obligations. The standard requires that the fair value of an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The present value of the estimated asset retirement cost is capitalized as part of the carrying amount of the long lived asset. The depreciation of the capitalized asset retirement cost will be determined on a basis consistent with depreciation, depletion and amortization of the

long lived asset. With the passage of time, accretion will increase the carrying amount of the asset retirement obligation.

Joint Venture Operations
Some of the Company's petroleum and natural gas exploration activities are conducted jointly with others. This document reflects only the Company's proportionate interest in such activities.

Other
The Company is required to estimate the fair market value of stock-based compensation. This estimate of fair value is determined using the Black-Scholes option model and stock-based compensation is recorded in accordance with the vesting periods of the Company's stock option plan.

Financial Instruments

The Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to commodity price risk, credit risk, liquidity risk, market risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a. Credit risk
Credit risk is the risk that a customer or counterparty will fail to perform an obligation or fail to pay amounts due causing a financial loss. The majority of the Company's current period accounts receivable is amounts due from sale of properties which had certain common shares in escrow as collateral. The amount due on the sale of properties was received subsequent to year end. The remaining amount is with Canada Revenue Agency and hence credit risk is mitigated. The Company's reclamation deposit is also subject to credit risk. The Company maintains its cash balance with two major national financial institutions. The investment held by the Company is in one company who operates in the oil and gas industry. The Company is exposed to the risks of this investee and the industry in which it operates.

The maximum credit risk at the yearend is represented by the recognized carrying amounts. Past due amounts included in accounts receivable at year end was $29,506 (2010 - $43,300).

b. Liquidity risk
The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

To facilitate its expenditure program, the Company may enter into oil and gas as well as mineral property option agreements with third parties and/or raise funds through private equity placements or public offerings.

The Company is subject to liquidity risk given its accumulated deficit. If the Company is unable to obtain adequate additional financing by raising funds through private placements or through option agreement farm-outs, the Company will be required to curtail operations, exploration and development activities. As at November 30, 2011 and 2010, the Company's financial liabilities were comprised of accounts payable and accrued liabilities which have either contractual or expected maturities of less than one year.

c. Market risk

The carrying amounts of financial instruments consisting of cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to their short-term nature. The carrying value of investment is equal to fair value as its carrying value is based on quoted prices in an active market.

i. Commodity price risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for petroleum and natural gas and minerals are impacted by world economic events that dictate the levels of supply and demand as well as foreign exchange rates. As the Company has not yet developed commercial oil and gas and mineral interests, it is not exposed to commodity price risk at this time

ii. Equity price risk

The fair value of the Company's investment in equity instruments is subject to fluctuations in the quoted market price from which its fair value is derived. A 10% decrease in the quoted price of the shares underlying the investment would decrease income by approximately $300,000. A corresponding increase would have an equal and opposite effect.

The Company is required to classify financial instruments measured at fair value using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair value of current financial assets and liabilities, except as described, are classified as level 1 and the investment is classified as level 2.

Transactions with Related Parties

Except as disclosed elsewhere, the Company had the following related party transactions:

a. During the year the Company was charged management fees aggregating $174,000 (2010 - $264,000) and consulting fees of $17,540 (2010 - $nil), included in general and administration expense, to corporations which are controlled by officers and directors of the Company.

b. Included in accounts payable is $77,684 (2010 - $38,456) to directors of the Company, and parties related to them, for reimbursement of business expenses.

All related party transactions occurred in the normal course of operations and have been measured at the agreed to exchange amounts.

Commitments

a. Under a management agreement with a company controlled by a Director of the Company, the Company is committed to the payment of management fees of $12,000 per month respectively until February 2014.

b. Under a rental agreement with a third party, the Company is committed to the payment of a monthly rental fee of $4,500 per month until April 14, 2013.

c. On February 27, 2011, the Company entered into a consulting agreement for investor relation services for one year. Under this agreement, the Company will pay $2,500 per month.

Subsequent Events

On February 2, 2012, the Company announced that it had entered into an arm's length letter of intent (the "LOI") with Carina Energy Inc. ("Carina"), a private mining exploration company based in Toronto, Ontario, whereby CIVC will acquire all of the issued and outstanding securities of Carina (the "Acquisition").

On March 28, 2012 the parties entered a new agreement whereby CIVC proposes to farm-in, for a 55% working interest, to the Little Bear Lake Property (the “Property”) of Carina. It is proposed the Company will deliver to Carina 6 million shares on the closing date and on the first anniversary of the closing date the Company will deliver an additional 5 million shares to Carina. The Company would be required to spend $600,000 of expenditures on the property within two years of the closing date and would be responsible for certain obligations which are anticipated to be $320,000 payable 50% in cash and 50% in CIVC shares. The letter of intent is subject to, among other things, acquisition of a strategic claim, execution of a definitive joint venture or farm in agreement and receipt of all requisite regulatory approvals including the TSX Venture Exchange.