

Canadian Imperial Venture Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Quarter Ended February 28, 2013

This management discussion and analysis (“MD&A”) prepared as of April 30, 2013 is a review of the operational and financial results of Canadian Imperial Venture Corp. (the “Company” / “CIVC”) based on International Financial Reporting Standards as issued by the International Accounting Standards Board. Previously, the Company prepared its condensed interim financial statements in accordance with Canadian generally accepted accounting principles (“GAAP”). The focus of this MD&A is primarily a comparison of the operational and financial performance for the three months ended February 28, 2013 and February 29, 2012 and should be read in conjunction with the audited statements for the years ended November 30, 2012 and 2011 (available on SEDAR at www.sedar.com).

On March 18, 2013, the Company announced that it had completed a share consolidation, on the basis of ten (10) old shares for one (1) new share (the “Consolidation”), as was approved by shareholders at the Annual and Special meeting held on December 14, 2012.

All common share, warrant and stock option balances reported in this MD&A are adjusted to reflect post share-consolidation balances.

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, resource estimates, 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, the uncertainties involved in interpreting exploration results and other geological data, and the other risks involved in the resources 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 CONDENSED INTERIM FINANCIAL STATEMENTS

As stated above, the condensed interim financial statements for the three months ended February 28, 2013 have been prepared in accordance with IFRS.

The condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company and its Management. The condensed interim financial statements have been reviewed and approved by the members of the audit committee and the Board of Directors. The Company's auditors have not reviewed the interim MD&A and condensed interim financial statements.

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. ("SPE"), 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 SPE (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 SPE. 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 SPE. Each Acquired Warrant is exercisable to acquire an additional common share of SPE at an exercise price of \$0.40 per share for a period of two years from the Closing Date.

SPE 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.

MINERAL PROPERTIES AND RESULTS OF OPERATIONS

Little Bear Lake, Manitoba

On September 26, 2012, the Company executed an option agreement (the "Option Agreement") between CIVC, Carina Energy Inc. ("Carina") and Ozias Theriault ("Theriault") whereby the Company was granted an option by Carina and Theriault to acquire a 55% interest in the Little Bear Lake gold property which is located in the Lac du Bonnet Mining Division in Manitoba. The Option Agreement has now received TSX Venture Exchange acceptance.

Pursuant to the terms of the Option Agreement:

- The Company issued to Carina 600,000 shares on September 24, 2012 (the "Closing Date") and on the first anniversary of the Closing Date (September 24, 2013) the Company will deliver an additional 500,000 shares to Carina.
- The Company is required to spend \$600,000 of expenditures on the Property within two years of the Closing Date (September 24, 2014).
- The Company is responsible for cash payments to Theriault for the sum of \$20,000 payable on execution of the Option Agreement (paid) and \$10,000 per month commencing on October 1, 2012 until June 1, 2014 for aggregate payments totaling \$200,000.
- The Company is required to make two advanced royalty payments of \$50,000 each to Theriault. The payments are due on November 12, 2013 and November 12, 2014, respectively.
- The property is subject to a 2.5% net smelter royalty.

The Little Bear Lake claim block in eastern Manitoba, consist of 17 claims, or 2149 hectares. On the Property, numerous gold-silver bearing veins occur in a parallel linear array trending NW-SE. The veins themselves are generally narrow and sometimes high grade. They are comprised of quartz and chlorite, and shearing is commonly evident in the walls. Width of the shear structures ranges from less than 1 metre to about 18 m. Within these "shear zones", white to sugary to glassy quartz veins are commonly thin, but widths to 3 m are reported. Dips of the "shear zones" are mostly vertical to steep north or south. Gold grades appear to be directly correlated with percentage of pyrite, galena, sphalerite or chalcopyrite within the host quartz.

Many high grade gold and silver assays have been reported from the property since 1928 when the veins were discovered. Historic grab sample assays range up to 17 oz Au/ton (530 g Au/T); 0.5 to 1 oz Au/ton (15-30 gAu/T) values have often been reported. Historically, there are reported to be an estimated historic resource of 10,000 tons of hand-cobbed "high grade" quartz vein material on the property adjacent to historic exploration pits on the veins.

The major veins explored since 1928 have been named Silver Fox, Latwis, Gold Plate, Molson, Treasure, Black Beaver and Fisher. The Treasure vein appears to be the longest, being continuous over a strike length of greater than 2,000m where it has been

sampled in 90 small blast pits along its length. The majority of veins have been similarly sampled. Historical records of sampling of pits and shafts by three separate parties for the Silver Fox vein are considered typical for veins on the property, e.g. 1) Birse, (1928): 12 samples over 188 ft length of the vein averaged 0.60 oz gold per ton over 19 inches. 2) Bull, (1928): six samples which averaged 0.46 oz/ton over 31 inch width. 3) C.S. Lord, (1934): assays averaged 0.98 oz/t over 21 inch width, for a length of 215 ft. Subsequent sampling and limited drilling in 1946 confirmed that high grade gold values can be obtained discontinuously over narrow widths along most veins. Past work on the ground was carried out by Norway Lake Iron Mines Ltd., Eco Exploration Company, Bear Lake Gold Mines Ltd., International Obaska Mines, Abermin, Theriault and Carina.

Carina has completed reconnaissance, geological mapping, prospecting and a 2010 drill program totaling 1,679 m on the Treasure Vein. Highlights of 2011 prospecting and sampling, and the 2010 drill program are detailed below:

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

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 <i>The reader should refer to the NI 43-101 Technical report pertaining to Little Bear Lake as filed on SEDAR on September 26, 2012</i>

Drilling of the Treasure Vein has shown existence of gold in wall-rock to high-grade veins and 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.

On March 4, 2013, the Company reported that a planned 1500 m drill program on the Property was partially completed before severe winter conditions forced a

postponement. Of the planned 1500 m approximately 20% was completed. The western end of the Silver Fox vein was tested with holes SF13-1, 2 and 3, but the contiguous Rush Vein remains untested. Historical trenching results for the Silver Fox vein show 0.90 oz/t (30.9 g/T) gold over 4 ft (1.2 m) was obtained over a length of 255 ft (77.7 m). The wallrock contained up to 0.2 oz/ton (6.9 g/T). The Silver Fox vein is up to 7 ft wide (2.1 m) at its west end. The narrower parts of the vein show grades of 7 oz to 10 oz Au/ton (10.5 to 348.5 g Au/T). During 2011 prospecting and sampling, 12 grab samples from the Rush Vein averaged 6.2 g Au/T with a range from 0.05 to 41.68 g Au/T.

In addition, ongoing assaying of previously unsampled core from the 2010-11 Carina drill program on the Treasure Vein (see 30 March 2012 news release) has shown further widespread low grade gold mineralization, with numerous intersections of gold grades in the range 0.3 to 0.876 g Au/T. The interval 40.4-47.7 in hole CE10-10 has not been previously reported.

Drill Hole	from (m)	to (m)	Intersection Width (m)	Average Grade g Au/T
CE10-10	40.4	47.7	7.3	0.372
	51.5	60.7	5.6	2.47*
*equivalent to			39.5	0.35
SF13-2	77.0	82.0	5.0	0.306
SF13-3	88.05	89.92	1.87	2.21**
			11.8	0.35

Drilling on Property to date is continuing to meet objectives by proving 1) existence of disseminated gold in wall-rock to high-grade veins; 2) an apparently systematic increase in grade towards the center of the property and 3) near-surface intersections with grades (>0.35 g Au/T) and widths, which in analogous geological environments (Hammond Reef in the Marmion batholith and Chester Gold in the Chester Complex) are amenable to open pit mining. High grade vein arrays and mineralization on LBL have been traced over > 6,000 m, which is double the footprint size of Hammond Reef and three times that of Chester Gold deposit.

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 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 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.

FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED February 28, 2013

The Company is primarily in the exploration phase.

Working Capital - As at February 28, 2013, the Company had working capital of \$515,522 compared to a working capital of \$ 8,640,262 as of February 29, 2012.

Current Assets – Current assets at February 28, 2013 totaled \$888,403 compared to \$8,972,959 as at February 29, 2012. This balance is comprised of cash, accounts receivable, reclamation deposit, prepaid expenses and deposits, and marketable securities. The decrease in current assets is due to the decrease in marketable securities. Trade receivables remained consistent between February 28, 2013 and February 29, 2012.

Petroleum and Natural Gas Exploration and Evaluation Assets – The Company currently holds no petroleum and natural gas exploration and evaluation assets with a recorded value of \$nil (2011 - \$ nil).

Additional information on petroleum and natural gas exploration and evaluation assets are included in the annual financial statements.

Mineral Exploration and Evaluation Assets – The Company currently holds mineral exploration and evaluation assets with a recorded value of \$ 536,202 (2012 - \$nil). These costs are a part of the acquisition costs of Little Bear Lake Project. The following schedule summarizes the changes in mineral exploration properties during the period:

<i>Mineral Exploration and Evaluation Assets, November 30, 2012</i>	\$ 211,633
Exploration Costs	294,569
Acquisition Costs	30,000
<i>Mineral Exploration and Evaluation Assets, February 28, 2013</i>	\$ 536,202

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

Reclamation Deposit – As at February 28, 2013 the Company had property deposits of \$56,268 (February 29, 2012 - \$55,708). Deposit at February 28, 2013 is held with the Energy Resources Conservation Board (Alberta).

Current Liabilities – Current liabilities increased from \$ 332,697 at February 29, 2012 to \$ 369,686 at February 28, 2013. The balance at February 28, 2013 represents normal trade payables and the increase is a result of the acquisition costs of Little Bear Lake Project.

General and Administrative - General and administrative expenses increased from \$123,553 at February 29, 2012 to \$152,867 for the quarter ended February 28, 2013. General and administrative expenses include the following material components for the three months ended February 28, 2013 and February 29, 2012:

	2013	2012
	\$	\$
Office and shareholder information	17,220	21,164
Professional and filing fees	29,923	20,726
Promotion and travel	28,298	14,497
Service contracts and wages	77,426	67,166

Professional and filing fees, promotion and travel and service contracts and wages increased over the prior year due increased activity in Little Bear Lake Project. Office and shareholder information have remained consistent over the periods.

Share Based Payments – During the quarter ended February 28, 2013 the Company recorded stock based compensation expense of \$nil (February 29, 2012 - \$5,392). This relates to 500,000 stock options for common shares issued on September 30, 2011 to an investor relations consultant which vests over 12 months after the grant date. The exercise price is \$1.00 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, 2012 and November 30, 2011.

Rehabilitation Provision – During the quarter, the Company incurred no additional costs related to its rehabilitation provision (February 29, 2012 - \$nil). During the quarter, \$ nil (February 29, 2012 - \$2,342) liabilities were settled. The expected cash flow required to settle the obligation at quarter end is \$3,195 (February 29, 2012 - \$3,195).

Private Placement Financing – There were no private placement funds obtained during the quarter ended February 28, 2013 (2012 – nil).

On April 23, 2013, the Company announced it had closed on April 22, 2013, a non-brokered private placement previously announced on March 22, 2013. Upon closing, a total of 10,137,400 units ("Units") were sold for proceeds of \$506,870. The proceeds from the private placement will be used on the Company's exploration project and for general working capital purposes.

Selected Quarterly Information:

	February 28, 2013 (IFRS)	February 29, 2012 (IFRS)	February 28, 2011 (GAAP)
	\$	\$	\$
Net Income (Loss)	(108,464)	5,532,647	(196,897)
Basic and Diluted Income (Loss) per Share	(0.002)	0.10	(0.0004)
Total Assets	1,429,470	8,978,612	1,331,628
Total Long-term Liabilities	-	-	-

The decrease in net loss from 2012 is a result of the fair value losses on the held for trading investment.

Summary of Quarterly Results:

For The Quarters Ended				
	Feb. 28, 2013	November 30/12	August 31/12	May 31/12
Other Income	\$154	\$156	\$138	\$140
Net Income (loss)	(108,464)	(100,087)	(1,747,011)	(5,699,981)
Income (loss) per Share (basic and diluted)	(0.002)	(0.002)	(0.003)	(0.01)
	Feb. 29/12	November 30/11	August 31/11	May 31/11
Other Income	\$140	\$3,281,924	\$1,038	\$150
Net Income (loss)	5,532,647	2,385,085	(386,161)	(590,868)
Income (loss) per Share (basic and diluted)	0.01	0.07	(0.001)	(0.001)

The operational results of the quarter ended February 28, 2013 versus 2012 have remained consistent except for the gain recorded from the sale of the Company's petroleum and natural gas asset as more fully described in note 7 to the 2012 financial statements.

The large fluctuations in the Company's income (loss) on a quarterly basis starting in the quarter ended November 30, 2011 is due to the shares and warrants received in the sale of the Company's petroleum and natural gas asset being adjusted to their fair market value at each reporting period.

SHARE CAPITAL OUTSTANDING

Authorized share capital as at February 28, 2013: Unlimited.

Issued and outstanding share capital as at February 28, 2013: A total of 51,958,838 common voting shares and 3,000,000 warrants have been issued at a recorded value of \$ 14,198,081.

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 February 28, 2013:

Options

Name	Securities Under Options Granted (#)	Exercise or Base Price (\$/Security)	Date of Grant	Expiration Date
Gerard M. Edwards	255,000	\$1.00	May 2, 2011	May 2, 2016
	330,000	\$1.00	Dec. 14, 2009	Dec. 14, 2014
	200,000	\$1.00	March 3, 2008	March 3, 2013
Tina Ricketts	255,000	\$1.00	May 2, 2011	May 2, 2016
	130,000	\$1.00	Dec. 14, 2009	Dec. 14, 2014
	100,000	\$1.00	March 3, 2008	March 3, 2013
Robert G. Smiley	150,000	\$1.00	May 2, 2011	May 2, 2016
	160,000	\$1.00	Dec. 14, 2009	Dec. 14, 2014
	100,000	\$1.00	March 3, 2008	March 3, 2013
Jerome Byrne	150,000	\$1.00	May 2, 2011	May 2, 2016
	160,000	\$1.00	Dec. 14, 2009	Dec. 14, 2014
	100,000	\$1.00	March 3, 2008	March 3, 2013
Sam Walters	30,000	\$1.00	June 17, 2011	June 17, 2016
Employees / Consultants	500,000	\$1.00	Sept. 30, 2011	Mar. 31, 2013
	360,000	\$1.00	June 17, 2011	June 17, 2016
	100,000	\$1.00	May 2, 2011	May 2, 2016
	400,000	\$1.00	March 3, 2008	March 3, 2013

Share Purchase Warrants

Number	Exercise	Expiry Date
	Price	
	\$	
1,050,000	1.00	October 13, 2013
1,150,000	1.00	October 29, 2013
<u>800,000</u>	1.00	November 12, 2013
<u>3,000,000</u>		

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.

LIQUIDITY

The Company is in the process of exploring its resource 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 exploration and evaluation assets. 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.

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 accounts receivable 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 quarter end is represented by the recognized carrying amounts. Past due amounts included in accounts receivable at quarter end was \$11,284 (November 30, 2012 - \$1,083).

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 February 28, 2013, 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.

iii. *Foreign currency risk*

The Company operates predominately in Canada and is not exposed to any significant foreign currency risk.

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 quarter the Company was charged management fees aggregating \$51,868 (2012 - \$52,274), included in general and administration expense. These are payments to key management personnel which consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

- b) Included in accounts payable is \$18,128 (2012 - \$123,402) to directors of the Company, and parties related to them, for unpaid management fees and the 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 office lease payments of \$20,050 in fiscal 2013.

SUBSEQUENT EVENTS

Subsequent to quarter-end the following significant events occurred:

On March 18, 2013, the Company announced that it had completed its share consolidation, on the basis of ten (10) old shares for one (1) new share (the "Consolidation"), as was approved by shareholders at the Annual and Special meeting held on December 14, 2012.

As a result of the Consolidation, the 519,588,361 common shares which were issued and outstanding were reduced to 51,958,838 shares. The board of directors of the Company believe that in order to facilitate access to additional financing that is required for working capital and the further exploration of the Company's property, it was necessary to effect the Consolidation.

The effective date for the Consolidation was March 18, 2013 (the "Effective Date"). The post-Consolidation common shares of the Company commenced trading on the TSX Venture Exchange at the opening of the market on the Effective Date remaining under the symbol "CQV".

Letters of transmittal describing the process by which shareholders may obtain new share certificates representing their consolidated common shares will be mailed to the registered shareholders. Shareholders who hold their shares through a broker or other intermediary and do not have shares registered in their own name will not be required to complete a letter of transmittal. No fractional shares will be issued under the share consolidation and any fraction will be rounded down to the nearest whole number.

All common share, warrant and stock option balances reported in this MD&A have been adjusted to reflect post share-consolidation balances.

On March 18, 2013, the Company also reported that it held 10,000,000 common shares of Shoal Point Energy Limited stock and 10,000,000 share purchase warrants. Each

share purchase warrant is exercisable to acquire an additional common share of SPE at an exercise price of \$0.40 per share with an expiry date of October 25, 2013.

On April 23, 2013, the Company announced it had closed on April 22, 2013, a non-brokered private placement previously announced on March 22, 2013. Upon closing, a total of 10,137,400 units (“Units”) were sold for proceeds of \$506,870. The proceeds from the private placement will be used on the Company’s exploration project and for general working capital purposes.

Each Unit consists of one common share in the capital of the Company and one non-transferable share purchase warrant (“Warrant”). One whole 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 per share. All common shares sold in the private placement and any shares acquired upon exercise of the Warrants will be subject to a four-month hold period expiring August 23, 2013. The private placement is subject to regulatory acceptance. No finder’s fees or commissions were paid in connection with this private placement.

Certain insiders of the Company acquired Units under this private placement. Pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) and the Policies of the TSX Venture Exchange, such participation is considered to be a “related party transaction” as defined under MI 61-101. The Company is relying upon the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 on the basis that neither the fair market value of any Units issued to, nor the consideration paid by, such persons exceeds 25% of the Company’s market capitalization calculated in accordance with MI 61-101. Gerard Edwards, a director of the Company subscribed for 4,000,000 Units. Jerome Byrne, also a director of the Company, indirectly subscribed for 190,000 Units.