

EXPEDITION MINING INC.
MANAGEMENT DISCUSSION & ANALYSIS

For the Three Months Ended December 31, 2013

Directors and Officers as at February 24, 2014

Directors:

Ron Atlas
Steve Chan
Corry Silbernagel
John Watt
Jim Chapman

Officers:

President – Ron Atlas
C.F.O. – Jorge Avelino
Executive Vice-president – Bill Galine

Contact Names:

Bill Galine
Jorge Avelino

Telephone Number:

604-662-3903

Fax Number:

604-662-3904

EXPEDITION MINING INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the Three Months Ended December 31, 2013

1.1 Date of This Report

February 24, 2014

This Management's Discussion & Analysis ("MD&A") of Expedition Mining Inc., ("Expedition" or the "Company") for the three months ended December 31, 2013 has been prepared based on information available to us as of February 24, 2014. This discussion should be read in conjunction with the Condensed Consolidated Financial Statements of the Company and notes attached thereto for the three months ended December 31, 2013 included herewith, all of which are available at the SEDAR website at www.sedar.com.

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Reported currency is stated in Canadian dollars.

1.2 Overall Performance

Description of Business

Expedition Mining Inc. is involved in the acquisition, exploration and development of mineral properties. The Company has an interest in mineral properties known as the Mt. Mervyn located in the Yukon Territory and the Jenny Hill, Black Hills, and Long Canyon Projects in Nevada, USA, which are in the exploration and development stage.

During the three months ended December 31, 2013, the Company continued to actively review and assess alternative mineral properties in North America for possible acquisitions with a view of enhancing shareholder value.

1.3 Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	<u>Sept. 30, 2013</u>	<u>Sept. 30, 2012</u>	<u>Sept. 30, 2011</u>
(a) Loss before other items			
(i) Total loss	\$502,940	\$525,184	\$505,509
(ii) Loss per share – basic	\$0.01	\$0.01	\$0.01
(iii) Loss per share – diluted	\$0.01	\$0.01	\$0.01
(b) Net loss			
(i) Total loss	\$493,373	\$1,892,940	\$1,739,181
(ii) Loss per share – basic	\$0.01	\$0.03	\$0.03
(iii) Loss per share – diluted	\$0.01	\$0.03	\$0.03
(c) Total assets	\$2,286,866	\$2,722,082	\$4,808,210
(d) Total long-term liabilities	-	-	-

1.4 Results of Operations

Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the unaudited condensed consolidated financial statements for the three months ended December 31, 2013 of the Company and notes attached hereto.

Results of Operations

During the three months ended December 31, 2013, the Company reported a net loss of \$90,475 as compared to net loss of \$136,263 for the comparative three months ended December 31, 2012. The most significant decrease was the share-based payment in the amount of \$26,365 (2013 - \$Nil; 2012 - \$26,365), which relates to the fair value of stock options granted in 2012. In addition, in the current period, the Company reported decrease in consulting fees, corporate & admin fees, regulatory fees, legal and accounting fees, office expenses, shareholder communication and travel expenses. The general and administrative expenses reported a significant decrease of \$24,539. Below is a breakdown of the expenses:

<u>Expenses Category</u>	<u>31-Dec13</u>	<u>31-Dec-12</u>	<u>Increase (Decrease)</u>
- Bank charges & interest	256	247	9
- Consulting fees	-	4,000	(4,000)
- Corporate & admin	1,025	6,655	(5,630)
- Directors' fees	6,000	6,000	-
- Filing fees & transfer agent fees	893	2,069	(1,176)
- Legal & accounting	15,510	17,080	(1,570)
- Management fees	51,779	49,876	1,903
- Office rent, services & supplies	11,219	16,445	(5,226)
- Property investigation	-	800	(800)
- Shareholders' information	3,545	5,417	(1,872)
- Travel, meals & entertainment	1,245	7,422	(6,177)
Total	91,472	116,011	(24,539)

Shareholders Communication and Travel

The Company reported shareholders communication and travel expenses totaling \$4,790 (2013 - \$12,389) and broken down as follows:

	31-Dec-13	31-Dec-12
Communication & information	\$ 359	\$ 249
Press releases	480	780
Printing, mail-out & supplies	105	673
Telephone & website	2,602	3,715
Travel & entertainment	1,244	7,422
	<u>\$ 4,790</u>	<u>\$ 12,839</u>

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	<u>Q1 31-Dec-13</u>	<u>Q4 30-Sep-13</u>	<u>Q3 30-Jun-13</u>	<u>Q2 31-Mar-13</u>
	IFRS	IFRS	IFRS	IFRS
Net loss	(90,475)	(64,903)	(165,316)	(126,891)
Per Share	(0.00)	(0.00)	(0.05)	(0.000)
	<u>Q1 31-Dec-12</u>	<u>Q4 30-Sep-12</u>	<u>Q3 30-Jun-12</u>	<u>Q2 31-Mar-12</u>
	IFRS	IFRS	IFRS	IFRS
Net loss	(136,263)	(1,443,938)	(178,209)	(183,107)
Per Share	(0.005)	(0.03)	(0.00)	(0.00)

Discussion

Three months ended December 31, 2013:

For the three months ended December 31, 2013, please refer to Section 1.4 Results of Operations.

EXPLORATION AND EVALUATION ASSETS

Nevada Properties

Jenny Hill and Black Hills Property

Jenny Hill Property

This property consists of 25 unpatented lode claims covering approximately 515 acres (208 hectares) and is located 100 miles (161 kms) southeast of Reno, Nevada.

Black Hills Property

This property consists of 43 unpatented lode claims covering approximately 886 acres (358 hectares) and is approximately 100 miles (161 kilometres) southeast of Reno, Nevada. The property is located about two miles south of the Jenny Hill property. The property is situated on a major strand of the Walker Lane Fault and is midway between the past-producing Rawhide and Paradise Peak open pit gold mines in northeastern Mineral County.

The Jenny Hill and Black Hills agreement calls for lease payments to be made as follows:

<u>Date</u>	<u>Payment Amount</u>
March 1, 2012	\$ 20,000.00 (paid)
September 1, 2013	20,000.00 (paid)
September 1, 2014	25,000.00
September 1, 2015	30,000.00
September 1, 2016	35,000.00
September 1, 2017	40,000.00

and \$40,000 on September 1 of each subsequent year, until the expiry of the lease on August 31, 2022.

In consideration of the Mining Lease and Option Agreement, Expedition shall issue and deliver to the Owners 50,000 common shares on signing (issued) and 50,000 common shares on or before September 1, 2013 (issued).

On March 28, 2012, the Company received TSX Venture Exchange approval.

In September and October a program of mapping and rock chip sampling was carried out. Grab samples collected during the initial prospecting of the area showed gold associated with quartz veining. Gold values of up to 8.5g/t over 1.5m were returned from the Black Hills property and 3.09g/t over 1.5m from the Jenny Hill property during the recent program.

A soil geochemical survey was initiated on the projects in November. The Black Hills portion of the survey was completed in late December 2012 and the samples were sent to ALS Chemex in Reno, Nevada. The Jenny Hill portion was in January 2013. Assay results showed anomalous gold values associated with a strong north easterly trending structure traversing the two properties.

The Company has no immediate work program for the Jenny and Black Hills properties.

Long Canyon Project

The Long Canyon property consists of 39 unpatented lode claims within two blocks, 12 claims form the Long Canyon South block and 27 claims comprise the Long Canyon North block. The two blocks cover approximately 83.5 and 225.4 hectares respectively, located 200 kms southeast of Reno and 16 kms southeast of the community of Mina, Nevada. The lease payments and issuance of shares to be made are as follows:

<u>Date</u>	<u>Payment Amount</u>	<u>Shares</u>
December 6, 2012	\$15,000 (paid)	50,000 (issued)
December 6, 2013	\$20,000 (paid)	50,000 (issued)
December 6, 2014	\$25,000	-
December 6, 2015	\$30,000	-
December 6, 2016	\$35,000	-
December 6, 2017	\$40,000	-
December 6, 2018	\$40,000	-
December 6, 2019	\$40,000	-
December 6, 2020	\$40,000	-
December 6, 2021	\$40,000	-

Under the LC Agreement, Expedition has the option to acquire 100% ownership of the mining claims, subject to a 2% NSR reserved for the Owners. Expedition may exercise the Option at any time before the expiration date of this Agreement. The purchase price is \$300,000.

The Long Canyon property is subject to a 2% NSR. Expedition has the option to purchase at any time one-half (1/2) of the Royalty representing one percent (1%) of the Net Smelter Return for a purchase price of \$1.5 million.

On January 24, 2013, the Company received final approval from the TSX Venture Exchange.

A soil geochemical survey, prospecting, mapping and rock sampling program was implemented in January 2013 on the Long Canyon project. This work was completed by January 25th and samples sent to ALS Chemex in Reno for analyses. The soil survey was successful in delineating anomalous trends associated with the veining observed in outcrop. Values of up to 1.53g/t gold were obtained from the soil samples.

This work has identified several structural trends associated with multi-element soil anomalies. These structural zones trend dominantly north-northeast and northwest and intersect beneath the extensive siliceous zone, which occupies the central portion of the property. This siliceous cap contains generally low gold values and is believed to represent the uppermost level of the hydrothermal system. The gold bearing veins are only exposed at lower stratigraphic levels in the drainages.

The north-northeast trend is characterized by swarms of narrow quartz veins with a general northerly orientation and sub-vertical dip. These veins range from less than 1 cm to greater than 1 m in thickness. At least two of these NNE zones have been identified to date. Veins within the NW trending zone show a greater variation in dip attitude from -45 to vertical, and are generally oriented sub-parallel to the overall Walker Lane Belt. The vein widths within the northwest trend are similar to those in the NNE set.

Structurally the Long Canyon project area is dominated by strands of the northwest trending Walker Lane Fault Zone. Walker Lane structures, and arcuate splays from the main faults, trend across the property and are exposed in many of the drainages. The northerly trending structures extend through the Pilot Mountains to the north, and are covered by pediment fans to the south. The intersections of these structural zones are believed to be important localizing features for the mineralization encountered at the Belleville Mine and the deposits in the Douglas Camp.

Rock sampling from the current program has confirmed the values reported by earlier sampling and includes up to 1.16g/t gold over 5 m within a shear zone. Geophysical data including magnetic and IP surveys from previous operators is being incorporated with the current geochemical data to formulate the next exploration program. Compilation of the mapping, geophysical data and rock sampling information, is expected to provide targets for the next phase of work. This program will consist of mechanical trenching to expose the anomalous zones for systematic channel sampling, along with expansion of the soil geochemical survey.

On July 17, 2013, the Bureau of Land Management informed the Company that a reclamation bond in the amount of \$4,301 would be required for the trenching program. On July 30, 2013, the Company paid the full amount required.

On September 24, 2013, the Company announced the commencement of the trenching program. On November 25, 2013, the Company announced the completion of the 2013 Trenching Program. The

trenching program utilized a rubber tired backhoe to clear the surface float and excavate into the bedrock. Generally the undisturbed bedrock is less than 1 m below surface. Trenches were excavated in areas of visible alteration and veining along with zones associated with regional structures. The best results were derived from trenches 2, 2A, 7 and 8, located in the vicinity of IP target #2. Gold values were similar to previous sample results with the highest value being 1.27 g/t over 3 m in trench 2. This sample was part of a wider zone of 6.5 m grading 0.93 g/t gold. A sample of vein material from trench 2A contained 61.9 g/t silver along with 0.3 g/t gold. This work confirmed that the anomalous values are predominantly associated with the northeasterly trending structural zones, the intersections of which are co-incident with an IP target generated by the historical survey. Overall the company is very pleased with the results to plan the 2014 exploration program.

Permitting for a drill program to test these surface anomalies is underway and a contractor has been chosen for this work. A reverse circulation drill program consisting of 1525 m (5,000 ft) in 11 holes has been designed for the project.

Yukon Property

Mt. Mervyn

On April 12, 2011, the Company entered into an option agreement pursuant to which it can acquire a 100% interest in the Mt. Mervyn gold property from Paul Dadwal. The Mt. Mervyn property is located in the Mayo Mining District of central Yukon and is comprised of 314 mining claims, approximately 6,564 hectares (65.64 sq kilometres). The agreement was approved by the TSX Venture Exchange on April 18, 2011.

In order to exercise its option under the option agreement, the Company must make payments and issue shares as set below.

Cash:

\$75,000 within five business days after Exchange Acceptance Date (paid)

\$75,000 on or before June 1, 2011 (paid)

Common Shares:

250,000 within business days after Exchange Acceptance Date (issued)

250,000 on or before June 1, 2011 (issued)

250,000 on or before October 1, 2011 (issued)

250,000 on or before March 31, 2012 (issued)

The Company committed to make the initial payment of \$75,000 (paid) and the initial issuance of 250,000 common shares (issued) once the title to the claims comprising the Mt. Mervyn property were recorded in the Company's name.

Net Smelter Returns Royalty (NSR):

The optionor has a 2-per-cent net smelter royalty on the property. The NSR may be reduced to 1-per-cent by the payment of \$1-million to the optionor.

The Company has no immediate work program for the Mt. Mervyn property.

EXPENDITURES:

Details of deferred exploration costs for the property are as follows:

	Balance 30-Sep-13	Additions during the period	Write-off during the period	Balance 30-Sep-13
Mt. Mervyn Property, Yukon				
Acquisition costs	360,000	-	-	360,000
Deferred Expenses				
- Camp costs	18,748			18,748
- Consulting (Geology)	10,296	-	-	10,296
- Data acquisition	105,570	-	-	105,570
- Field work & supplies	57,421	-	-	57,421
- Geochem & Geophysics	146,242	-	-	146,242
- Helicopter	100,191	-	-	100,191
- Legal	11,361	-	-	11,361
- Mobilization	43,355	-	-	43,355
- Soil sampling & trenching	145,073	-	-	145,073
Total Mt. Mervyn	998,257	-	-	998,257
Jenny Hill & Black Hills				
Acquisition costs	48,521	-	-	48,521
Deferred Expenses				
- Advances	-	-	-	-
- Assays	38,036	-	-	38,036
- Claims	24,585	-	-	24,585
- Consulting (Geology)	25,489	-	-	25,489
- Maps & reports	806	-	-	806
- Site Visits	3,239	-	-	3,239
- Soil sampling & trenching	34,041			34,041
Total Jenny Hill & Black Hills	174,717	-	-	174,717
Long Canyon Project				
Acquisition costs	17,530	22,498	-	40,028
Deferred Expenses				
- Assays	14,317	7,089	-	21,406
- Claims	6,017	15	-	6,032
- Consulting (Geology)	28,104	3,700	-	31,804
- Legal	441	-	-	441
- Maps & reports	3,169	2,126	-	5,295
- Site Visits	9,137	1,855	-	10,992
Total Long Canyon Project	78,715	37,283	-	115,998
Total	1,251,689	37,283	-	1,288,972

1.5 Liquidity

Expedition Mining Inc. is a mining exploration and development company with no producing resource properties, and consequently, no current operating income or cash flow.

In management's view, given the nature of the Company's operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will be dependent upon the acquisition of a viable property and the

discovery of economically recoverable reserves. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine.

At December 31, 2013, the Company had \$858,833 in cash and deposits and \$5,416 in accounts receivable. The Company has no revenue generating projects at this time. The Company's historical capital needs have been met by equity subscriptions. On December 31, 2013, the Company had working capital of \$837,477 (September 30, 2013 - \$963,402).

Cash and cash equivalents

	31-Dec-13	30-Sep-13
Cash deposits with Bank of Montreal	\$ 66,692	\$ 146,788
Flow-through funds	-	-
GIC – Bank of Montreal	200,000	200,000
GIC – HSBC	591,141	590,954
Total cash and cash equivalents	\$ 858,833	\$ 937,742

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with two large Canadian banks.

Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company faces certain foreign exchange risks related to expenses and deferred exploration costs incurred in U.S. dollars, a currency which may appreciate against the Canadian dollar, the Company's reporting currency. Additionally, net working capital balances denominated in non-reporting currencies are also subject to fluctuations in value. The Company mitigates these threats by limiting its exposure to such balances where their expenditure in the same non-reporting currency is not imminent.

Commitments

The Company has certain work commitments on their mineral property interests as discussed in Section 1.4 and Notes 6 and 9 of the Financial Statements.

1.6 Capital Resources

The Company's capital resources are its exploration and evaluation assets, with a historical cost of \$1,288,972 (\$1,251,689 – September 30, 2013) and its fixed assets (computers & office equipment) with a book value of \$12,967 (\$13,800 – September 30, 2013).

1.7 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

1.8 First Quarter

The first quarter results do not differ significantly from other quarters.

1.9 Transactions with Related Parties

During the three months ended December 31, 2013, the Company was charged the following amounts by directors and officers or by companies controlled by the director or officers:

		Three months ended	
		31-Dec-13	31-Dec-12
Management fees	\$	51,780	49,875
Accounting fees		15,510	16,030
Directors fees		6,000	6,000
Deferred geological fees		3,700	12,900
Property investigation		800	800
Share-based payments		-	26,365
Total	\$	76,690	111,970

The Company granted Nil employee stock options to directors or officers (2012 – 650,000 options with fair value of \$26,365).

Included in accounts payable is \$11,160 of directors fees and expenses payable (\$5,281 – December 31, 2012).

1.10 Proposed Transactions

N/A

1.11 Critical Accounting Estimates

In preparing financial statements, management has to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Based on historical experience, current conditions and expert advice, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the consolidated financial statements materially and involve a significant level of judgment by management.

1.12 Financial and Other Instruments

The carrying value of cash and cash equivalents, marketable securities, accounts receivable, accounts payable and due from (to) related parties approximate their fair values due to the short maturity of those instruments.

1.13 Other

Disclosure of Outstanding Share Capital: February 24, 2014	
	<u>Number</u>
Common Shares	<u>58,336,789</u>
Disclosure of Outstanding Stock Options: February 24, 2014	
	<u>Number</u>
Incentive Stock Options	<u>5,640,000</u>

Disclosure of Outstanding Share Purchase Warrants: February 24, 2014

	Number
Share Purchase Warrants	Nil
Fully diluted	63,976,789

Disclosure Controls and Procedures

It should be noted that pursuant to Multilateral Instrument 52-511 (adopted by the British Columbia Securities Commission on November 23, 2007), that the officers of the Company are no longer required to certify the effectiveness of disclosure controls and procedures used by the Company, as was required in previous filings under National Instrument 52-109. Accordingly, the new forms of certificate to be signed by the Company's Chief Executive Officer and Chief Financial Officer contain the following Note to Reader:

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of and annual filings and other reports provided under securities legislation.

Additional information

Additional information relating to the company is on SEDAR at www.sedar.com.