Golden Cariboo Resources Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

For the nine months period ended June 30, 2012
and containing information up to August 29, 2012

This management's discussion and analysis ("MD&A") focuses on significant factors that affected Golden Cariboo Resources Ltd. ("Golden Cariboo " or the "Company") during the nine months ended June 30, 2012 and to the date of this report. The MD&A supplements, but does not form part of, the unaudited condensed interim financial statements of the Company and the notes thereto for the nine months ended June 30, 2012. Consequently, the following discussion of performance and financial condition should be read in conjunction with the September 30, 2011 financial statements. The unaudited condensed interim financial statements for the period ended June 30, 2012 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available on SEDAR at www.sedar.com

This MD&A contains information up to and including August 29, 2012.

FORWARD-LOOKING INFORMATION

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration 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.

BUSINESS OVERVIEW

Historically the Company's principal business activity has been the exploration and development of mineral properties. The Company has been in the process of exploring and developing its resource properties and has not yet determined whether its resource properties contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying properties and upon future profitable production or sufficient proceeds from the disposition of its resource properties.

The Company continues to investigate new exploration opportunities and mineral exploration would be carried out on properties identified by management of the Company as having favorable exploration potential. Interests in such properties are acquired in various ways. The Company, through its own efforts, can stake mineral claims or acquire exploration permits. In other cases the Company can acquire interests in mineral properties from third parties. An acquisition from a third party would typically be made either as an outright purchase (with payment of cash and/or shares) or by way of an option agreement, which requires the Company to make specific option payments and to incur a specific amount of exploration and development expenditures. Once having incurred the specified exploration expenditures, the parties would enter into a joint venture requiring each party to contribute towards future exploration and development costs, based on its percentage interest in the property, or suffer dilution of its interest.

The Company advances its projects to varying degrees by prospecting, mapping, geophysics and drilling. Once a property is determined to have limited exploration potential, the property is abandoned or sold. In cases where exploration work on the property reaches a stage where the expense and risk of further exploration and development are too high, the Company may seek a third party to earn an interest by furthering development. Optioning a property to a third party allows the Company to retain an interest in further exploration and development while limiting its obligation to commit large amounts of capital to any one project. The resource exploration business is high risk and most exploration projects will not become mines or producing wells.

MINEAL PROPERTIES

HISTORY

The Company had a land package, either owned or under option, located in the Cariboo Mining Division, in east-central British Columbia. The Company's tenure consists of three non-contiguous mineral tenure blocks in close proximity. The main block extends from the town of Barkerville, BC southeast approximately 28 km towards Cariboo Lake (the main block is approximately 17 km wide (east-west) at its widest point). The other two blocks (the "Wendle" and "Elk Mountain") lie approximately 5 km NNE of Barkerville and SW of Barkerville respectively. The Company's mineral tenure covers a total area of just over 25,000 hectares.

During December 2008, the Company entered into an asset sale agreement with Barkerville Gold Mines Ltd.("BGM"), (Formerly International Wayside Gold Mines Ltd.), a related party by common directors. The Company agreed to sell its interest in the Cariboo Properties located near Barkerville, BC.

The disposition of the corporation's interest in the Cariboo gold project to BGM is a related-party transaction. In accordance with the policies of the TSX-V and the Business Corporations Act (B.C.), the disposition has been approved by a special majority (66-2/3 per cent) of the minority shareholders of the corporation at the corporation's annual and special general meeting.

UPDATE

On January 18, 2012, the Company entered into an option agreement with Golden Valley Mines Ltd. and Integra Gold Corp. in respect of a portfolio consisting of twelve properties located in the Abitibi Greenstone Belt.
Under the Agreement the Company can acquire a 70% interest in certain properties (the "GZZ Option") located in the Abitibi Greenstone Belt of northwestern Québec and northeastern Ontario (the "GZZ Properties") held by Golden Valley.

Subject to net smelter return royalty interests and advance royalty interests in favour of the original vendors (one of which is a director and officer of Golden Valley), the Company can acquire a 70% interest in certain properties located in the Abitibi Greenstone Belt of northwestern Québec (the "GZZ-I Option"); these properties are subject to a 30% interest held by Integra pursuant to a joint venture agreement between Integra and Golden Valley (the "GZZ-I Properties").. Golden Valley will be operator during the option phase.

In order to maintain in force the Option the Company has to:

(i) Issue to Golden Valley 9.9% of Company's issued share capital (the "Share Interest");
(ii) Incur expenditures in an aggregate amount of $4,500,000 over a 5 year period (the "Expenditures") to be allocated between the GZZ Properties and the GZZ-I Properties as the Company may determine provided that no more than $4,000,000 of the Expenditures shall be incurred with respect to the GZZ Properties and at least $500,000 of the Expenditures shall be incurred with respect to the GZZ-I Properties; and
(iii) Reimburse Golden Valley for all costs related to the preparation of any technical reports. Golden Valley has the right, but not the obligation to participate in future financings of the Company in order to maintain its Share Interest.

Upon the GZZ Option being exercised, Golden Valley shall retain a 30% free carried interest to production in respect of the GZZ Properties. Upon the GZZ-I Option being exercised, Golden Valley and Integra shall retain a combined 30% free carried interest to production (22.5% Golden Valley/7.5% Integra). This transaction is subject to regulatory approval.

OIL AND GAS PROPERTIES

Currently the Company is pursuing new opportunities for oil and gas properties.

RESULTS FROM OPERATIONS

Three months ended June 30, 2012 Compared with Three months ended June 30, 2011

The Company incurred a total loss of $41,698 before tax for the three months ended June 30, 2012 when compared with a loss of $187,983 before tax for the three months ended June 30, 2011. This decrease was primarily the result of $127,471 of share based payments recorded for options granted in the period ended June 30, 2011. Professional fees decreased from $28,182 in the three months ended June 30, 2011 to $16,000 in the three months ended June 30, 2012 as the estimates for audit and legal services were decreased to due decrease in overall operating activities.

During the three months period ended June 30, 2012, the Company recorded a tax recovery of $116,087 as the fair value of marketable securities (BGM.V) increased from $0.71 per share in the second quarter of 2012 to $1.21 per share as at June 30, 2012.

Nine months ended June 30, 2012 Compared with Nine months ended June 30, 2011

The Company incurred a total loss of $108,123 before tax for the nine months ended June 30, 2012 when compared with a loss of $295,942 before tax for the nine months ended June 30, 2011. This decrease was due to the same reason above (refer to the three months 2012 and 2011 comparison).

During the nine months ended June 30, 2012, the Company sold 404,100 common shares at $0.85. Fair value gain on the sale of marketable securities is recorded in comprehensive loss.

SUMMARY OF QUARTERLY RESULTS

	IFRS							Canadian GAAP
Quarter Ended	30-Jun-12	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11	31-Dec-10	30-Sep-10
Gain(Loss) before tax and other items	$ (41,698)	$ (39,553)	$ (26,872)	$359,367	$(187,893)	$(59,767)	$(48,282)	$ 145,811
Basic and diluted earnings (loss) per share	(0.01)	(0.01)	(0.00)	0.06	(0.03)	(0.01)	(0.01)	0.02
Total comprehensive Income (loss) after tax	$ 74,389	$ (67,414)	$(103,791)	$359,367	$(187,893)	$(51,555)	$(48,282)	$ 145,811

A review of the last eight quarters indicate that operating gains and losses fluctuate on a quarterly basis due to the timing of option grants as well as fourth quarters having reflected adjustments for new accounting policies and audit adjustments.

RISK FACTORS RELATING TO MINERAL EXPLORATION INDUSTRY

There are many risk factors facing companies involved in the mineral exploration industry. Risk Management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all the risks inherent to the industry, the Company strives to manage these risks, to the greatest extent possible. The following risks are most applicable to the Company.

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, the Company's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. The Company attempts to balance this risk through insurance programs where required and ongoing risk assessments conducted by its technical team.

Commodity Prices

The Company is in the business of metals exploration and as such, its prospects are largely dependent on movements in the price of various metals. Prices fluctuate on a daily basis and are affected by a number of factors well beyond the control of the Company. The mineral exploration industry in general is a competitive market and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist. Due to the current grassroots nature of its operations, the Company does not enter into price hedging programs.

Environmental

Exploration projects or operations are subject to the environmental laws and applicable regulations of the jurisdiction in which the Company operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

Title of Assets

Although the Company conducts title reviews in accordance with industry practice prior to any purchase of resource assets, such reviews do not guarantee that an unforeseen defect in the chain on title will not arise and defeat our title to the purchased assets. If such a defect were to occur, our entitlement to the production from such purchased assets could be jeopardized.

Competition

The Company engages in the highly competitive resource exploration industry. The Company competes directly and indirectly with major and independent resource companies in its exploration for and development of desirable resource properties. Many companies and individuals are engaged in this business, and the industry is not dominated by any single competitor or a small number of competitors. Many of such competitors have substantially greater financial, technical, sales, marketing and other resources, as well as greater historical market acceptance than does the Company. The Company will compete with numerous industry participants for the acquisition of land and rights to prospects, and for the equipment and labor required to operate and develop such prospects. Competition could materially and adversely affect the Company's business, operating results and financial condition. Such competitive disadvantages could adversely affect the Company's ability to participate in projects with favorable rates of return.

Financing

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may adversely affect the Company's ability to raise capital to acquire and explore resource properties.

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. The Company has a working capital deficiency of $1,250,087 at June 30, 2012 as compared to a deficiency of $1,136,488 at September 30, 2011. The Company is expecting to use the proceeds from the sale of its mineral properties for general working capital purposes during the year. Additional funding will be required from brokered or non-brokered private placements, or from the advancing of funds from related parties and directors depending on the future direction of the Company.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following table summarizes the number of company shares, stock options and warrants as of August 29, 2012:

	Number	Exercise Price	Expiry Date
Common shares outstanding	7,085,969		
Director and Employee Stock Options	708,597	0.285	2/15/2016
Share purchase warrants	-	-	-
Fully Diluted Shares Outstanding	7,794,566		

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions during the nine months ended June 30, 2012 are as follows:

i) Paid $45,000 (2011-$45,000) as management fees to Frank Callaghan, the CEO of the Company.
ii) Paid $2,069 (2011-$2,781) as salaries and wages to Minaz Dhanani, the CFO of the Company.
iii) The Company operates its head office in Vancouver from the premises of Barkerville Gold Mine Ltd., a public company with a common director and officer. Barkerville Gold Mines Ltd. provides office space and accounting, office and administrative services to the Company and various other public companies. During the nine months ended June 30, 2012, the Company paid $18,623 (2011 - $25,037) as salaries and wages and $3,103 (2011-$9,690) as rent expense to Barkerville Gold Mines Ltd. As at June 30, 2012, included in prepaid expenses is $2,000 (2012 - $2,000) for rent to a company with a common director.
iv) As at June 30, 2012, due to related parties include the fo llowings:
   - $531,331 is payable to Standard Drilling Ltd., a private company controlled by the CEO of the Company,
   - $222,977 is payable to the CEO of the Company,
   - $2,471 is payable to Barkerville Gold Mine Ltd.

The amounts are unsecured, non interest bearing and due on demand.

PROPOSED TRANSACTIONS

None

CRITICAL ACCOUNTING ESTIMATES

Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Rehabilitation Provisions

Rehabilitation provisions have been created based on Golden Cariboo Resources Ltd.'s internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time of the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING DEVELOPMENTS

Conversion to International Financial Reporting Standards ("IFRS")

In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of October 1, 2010 will require the restatement for comparative purposes of the amounts reported by the Company for the year ended September 30, 2011. The Company does not carry material amounts of Plant, Machinery and Equipment that could make an impact due to conversion to IFRS. A preliminary review does not show a significant impact on the Financial Statement due to conversion to IFRS. The Company does not expect a material financial reporting impact as a result of the transition to IFRS.

There was no material financial reporting impact to the Company's financial statements as a result of the transition to IFRS. Note 14 to the Financial Statements include additional detail on the financial statement and accounting effect of the transition to IFRS.

First time adoption

The Company's adoption of IFRS required application of IFRS 1 which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires that an entity apply all IFRS effective at the transition date retrospectively, with specific mandatory exemptions and a limited number of optional exemptions. The following represent the optional exemptions that the Company has applied:

- Share-based payment transactions – IFRS 1 permits first-time adopters to not apply IFRS 2, *Share-based Payments*, to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the date of transition to IFRS. The Company has elected not to apply IFRS 2 to awards that vested prior to February 1, 2010.

Future Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not yet early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements:

- IFRS 9 Financial Instruments
- IFRS 7 (Amendment) Financial Instruments: Disclosure
- IAS 12 (Amendment) Income Taxes
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement
- IAS 27 (Amendment) Separate Financial Statements
- IAS 28 (Amendment) Investments in Associates and Joint Ventures

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property expenditures is provided in the Company's unaudited interim financial statements for the nine months ended June 30, 2012 which is available on SEDAR at www.sedar.com.