

**DATINVEST INTERNATIONAL LTD.**  
**MANAGEMENT DISCUSSIONS AND ANALYSIS**  
**For the Three Months Ended March 31, 2015**

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**General**

This Management's Discussion and Analysis ("MD&A") provides relevant information on the operations and financial condition of Datinvest International Ltd. (the "Company") during the three months ended March 31, 2015. Management of the Company has prepared this MD&A as of June 1, 2015.

This MD&A is a complement and supplement to the unaudited condensed interim financial statements for the three months ended March 31, 2015 and the audited financial statements and notes for the year ended December 31, 2014. These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Both can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**Forward-Looking Statements**

Except for historical information, this MD&A includes forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Company assumes no obligation to update its forward-looking statements to reflect results, changes in assumptions or changes in other factors affecting such statements.

**The Company**

The Company has no business or operations and continues to be designated as "Inactive" by the TSX Venture Exchange since September 28, 2001. The Company is currently reviewing new projects. The Company's shares are trading under the symbol DAI.H and are regulated by the NEX polices.

On June 26, 2013, the Company signed a letter of intent (the "LOI") with Cerro Mining Corp. ("Cerro") regarding their mutual intention to enter into a business combination. It is contemplated that the business combination will take place by way of a plan of arrangement under the British Columbia *Business Corporations Act* or other statutory procedure (the "Transaction") whereby the security holders of Cerro and the Company will each hold 50% equity ownership of the resulting issuer. The final structure of the Transaction is subject to the mutual agreement of the parties, acting reasonably, following their receipt of final tax, corporate, securities law and financial advice.

Key terms of the Transaction are summarized as follows:

- The board of directors of the Resulting Issuer is expected to consist of five individuals, the names of whom will be specified in the definitive agreement. Two of the directors will be nominated by the current board of directors of Cerro, two will be nominated by the Company, and the final director will be nominated jointly by Cerro and the Company. The officers of the Resulting Issuer will be agreed to in the definitive agreement.
- The Company advanced the sum of \$25,000 to Cerro (the "Loan"). The Loan is secured by certain of Cerro's currently-held marketable securities.
- Concurrent with the closing of the Transaction, Cerro will be required to complete a financing raising gross proceeds of not less than \$100,000 and at a price not less than \$0.05 per unit. It is expected that such financing will be a private placement.
- Concurrent with the closing of the Transaction, Cerro will be required to enter into debt settlement agreements so that Cerro's debts are not more than \$90,000 plus such amounts agreed to by Cerro and the Company to a maximum of \$120,000 (the "Debt Cap"). Promissory notes that Cerro has entered into and announced via news release are not subject to the Debt Cap and, accordingly, will not be reduced.

The Transaction is subject to a number of conditions including, but not limited to, each party's completion of due diligence, the execution of a definitive agreement between Cerro and the Company, TSX Venture Exchange (TSX-V) approval and receipt of the requisite approvals of the shareholders of both parties.

The Transaction is a non-arm's length transaction for the purposes of the TSX-V as the parties have a common director, being Jason Birmingham. Mr. Birmingham holds 600,000 shares of Cerro, representing 3.50% of the issued and outstanding common shares of Cerro. Mr. Birmingham holds 818,000 shares of the Company, representing 4.13% of the issued and outstanding common shares.

The parties will use their best efforts to settle and execute the Definitive Agreement on or before July 26, 2013. On July 25, 2013, the Company and Cerro signed an amended and restated LOI extending the settlement and execution date to August 25, 2013. The Company and Cerro on August 26, 2013 agreed to extend this date to September 24, 2013.

On September 25, 2013, the Company and Cerro announced that the letter of intent has expired and have mutually decided not to move forward with the proposed business combination. The Company decided that the \$25,000 loan due on December 31, 2013 as uncollectible and the amount was written off during the year ended December 31, 2013.

On June 26 2014 the Company advanced \$12,280 to Cerro; the amount is unsecured, bears no interest and is due on demand. On March 31, 2015 the Company advanced \$35,000 to Cerro the amount is due on demand, bears no interest; the amount and all previous advances are secured by all of the assets of Cerro.

As at March 31, 2015, the Company has a working capital surplus of \$436,872 (December 31, 2014: \$448,393; March 31, 2014: \$493,213). For the period ended March 31, 2015, the Company reported a deficit of \$2,908,627 (December 31, 2014: (\$2,897,106); March 31, 2014: (\$2,852,286).

### **Selected Annual Information**

	Years ended December 31		
	2014	2013	2012
Revenues	\$-	\$-	\$-
Loss of the year before extraordinary items	\$55,108	\$108,046	\$87,229
Basic and Diluted Loss per Share	\$0.003	\$0.005	\$0.004
Loss for the Year	\$55,108	\$108,046	\$87,229
Total Assets	\$473,992	\$572,234	\$712,202
Liabilities (L.T.)	-	-	-
Cash dividends	-	-	-

### **Summary of Quarterly Results**

#### **Results of Operations for the three months ended March 31, 2015 and 2014**

For the three months ended March 31, 2015, the Company incurred a loss of \$11,521 (2014: \$10,288) and has accumulated losses of \$2,908,627 (2014: \$2,852,286).

The net loss for the three months ended March 31, 2015 was \$11,521 compared to \$10,288 for the same period in 2014, representing a increase of \$1,233 or 12%. This is largely due to office expenses of \$800 and increased transfer and filing fees of \$420.

## Summary of Quarterly Results

	2015		2014				2013	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	IFRS	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Total revenue	\$-	\$20,884	\$15,464	\$8,292	\$10,288	\$56,168	\$24,096	\$15,023
Loss (gain) for the Period before extraordinary items	\$11,521	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Basic Loss per Share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Diluted Loss per Share	\$0.00	\$20,884	\$15,464	\$8,292	\$10,288	\$56,168	\$24,096	\$15,023
Loss (gain) for the Period	\$11,521	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Basic Loss per Share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Diluted Loss per Share	\$0.00	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>

### Liquidity and Capital Resources

#### Working Capital

As at March 31, 2015, the Company has a working capital surplus of \$436,872 (December 31, 2014: \$448,393) and deficit of \$2,908,627 (December 31, 2014: (\$2,897,106)).

The Company has no commitment for capital expenditures as of June 1, 2015.

#### Cash and Cash Equivalents

On March 31, 2015 the Company had cash of \$387,455 (December 31, 2014 - \$433,552).

#### Cash Used in Operating Activities

Cash used by operating activities during the period ended March 31, 2015 was \$46,085 (2014: \$4,085) due to the operating expenditures. Cash was mostly spent on loan receivable, management fees, professional fees, and transfer and filing fees.

#### Cash Used in Investing Activities

There were no cash provided by or used in investing activities for the periods ended March 31, 2015 and 2014.

#### Cash Generated by Financing Activities

There were no cash provided by or used in financing activities for the periods ended March 31, 2015 and 2014.

## Going Concern

These financial statements have been prepared in accordance with International Financial Reporting Standards applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern as at March 31, 2015 the Company had not yet achieved profitable operations, has accumulated losses of \$2,908,627 since its inception, a working capital surplus of \$436,872 (2014: \$493,213) and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

## Off-Balance Sheet Arrangements

The Company is not committed to any off-balance sheet arrangements.

## Financing Activities

The Company did not carry out any financing activities during the periods ended March 31, 2015 and 2014.

## Share Capital

The following information is provided as at March 31 and June 1, 2015:

	Number of Shares	Amount	Contributed Surplus
Balance at December 31 , 2014	19,793,100	\$ 3,221,875	\$ 123,624
	-	-	-
Balance at March 31, 2015 & June 1, 2015	19,793,100	\$ 3,221,875	\$ 123,624

## Warrants

As at June 1 and March 31, 2015 and December 31, 2014, there were no warrants outstanding and unexercised.

## Options

As at June 1 and March 31, 2015 and December 31, 2014, there were no options outstanding and unexercised.

## Proposed Transactions

There are no proposed transactions that the Company has not previously disclosed.

## Critical Accounting Estimates, Judgments and Uncertainties

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

## **Critical Accounting Estimates and Assumptions**

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

## **Critical Accounting Judgments**

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

### *Recovery of deferred tax assets*

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

## **Transactions with Related Parties**

During the period ended March 31, 2015, the Company was charged \$7,200 (2014: \$7,200) for management fees and \$1,350 (2014: nil) for accounting services by its directors. At March 31, 2015, the Company owed \$6,200 (2014: \$21,960).

During the period ended March 31, 2015 the Company was charged \$nil (2014 - \$nil) for legal services to a company related to a director. At March 31, 2015, the Company owed \$nil (2014 - \$24,566).

## **RECENT ACCOUNTING PRONOUNCEMENTS**

### **New or revised standards and amendments to existing standards not yet effective**

- New standard IFRS 9, Financial Instruments, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for years beginning on or after January 1, 2018.
- Amendments to IAS 36 – Impairment of Assets, clarifies the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

The Company is currently assessing the impact that these standards will have on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

### **Management Responsibility**

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and Management Discussion and Analysis (MD&A), is complete and reliable.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that they are operating effectively. It is important to recognize that the Company has very limited administrative staffing. As a result, internal controls which rely on segregation of duties in many cases are not appropriate or possible. The Company relies heavily on senior management review and approval to ensure that the controls are as effective as possible.

### **Additional Information**

Additional information about the Company can be found on [www.sedar.com](http://www.sedar.com).

### **List of Directors and Officers**

Balraj Mann	Director, President, CEO
Ed Low	Chief Financial Officer
Alicia Milne	Director and Secretary
Wayne Yuen	Director
Fiore Aliperti	Director