ACREX VENTURES LTD.
(“Company”)

ANNUAL MANAGEMENT DISCUSSION AND ANALYSIS
Three Months and Year ended December 31, 2011
DATED APRIL 15, 2012

This document constitutes Management’s Discussion and Analysis (“MD&A”) of the financial and operational results of Acrex ventures Ltd. (“Acrex” or the “Company”) for the three months and year ended December 31, 2011. This MD&A supplements, but does not form part of, the consolidated financial statements of the Company, and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months and year ended December 31, 2011 and 2010. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

On January 1, 2011, the Company adopted International Financial Reporting Standards (“IFRS”). Prior to the transition, the Company prepared its interim and annual financial statements in accordance with Canadian Generally Accepted Accounting Principles (“CGAAP”). The audited consolidated financial statements as at and for the three months and year ended December 31, 2011, which are discussed in this MD&A, have been prepared in accordance with IFRS accounting policies which the Company has adopted in its annual consolidated financial statements as at and for the year ended December 31, 2011.

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

FORWARD LOOKING STATEMENTS

Certain statements in this MD&A, other than statements of historical fact, constitute “forward-looking information” within the meaning of Canadian securities legislation, and the United States Private Securities Litigation Reform Act of 1995. “Forward-looking information” includes, but is not limited to, statements with respect to potential mineralization and geological merits of the company’s properties, as well as the Company's future plans, objectives, business strategy, budgets, projected costs, financial results, and requirements for additional capital. In certain cases, forward-looking information can be identified by the use of words such as “plans”, “expects”, “contemplates”, “budget”, “possible”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “believes”, or variations of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such risk factors include, among others: changes in future prices of precious metals; currency fluctuations; inherent risks involved in the exploration and development of mineral properties; uncertainties involved in interpreting drill results and other exploration data; potential for delays in exploration activities; geology, grade and continuity of mineral deposits; possibility that future exploration results may not be consistent with the Company's current expectations; accidents, labor disputes and other risks associated with the mining industry; delays in obtaining governmental approvals; uncertainties relating to the availability and costs of financing required in the future; and competition and loss of key employees. Other risks and uncertainties are discussed throughout this MD&A and, in particular, in the section below entitled “Risks and Uncertainties”.

In making the statements in this MD&A containing forward-looking information, the Company has applied several material assumptions, including but not limited to, assumptions regarding the ability of the Company to obtain, on reasonable terms, the necessary financing to complete the exploration and development of its property interests, as well as the future profitable production or proceeds from the disposition of the Company's exploration and evaluation assets.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

The Company disclaims any intention or obligation to update or revise the forward-looking information in this MD&A, whether as a result of new information, events or otherwise, except as required by applicable securities legislation. Accordingly, readers are cautioned not to put undue reliance on forward-looking information

1. **Overall Performance**

(a) *Spanish Mountain, British Columbia, Property*

Management has been monitoring the work done – and the results being achieved and announced – by Spanish Mountain Gold Ltd. (formerly Skygold Ventures Ltd.) on its mineral claims which lie between the two blocks of claims which comprise the Company's Spanish Mountain property. Because the Skygold property adjoins the Company's property the results of Skygold's exploration of its property are very valuable to Management and the Company's geological consultants in planning the details of further work on the Company's property.

Recent reinterpretations, following successful drill-hole intercepts by Spanish Mountain Gold Ltd. on its property, indicate a gold-bearing corridor extending across the Acrex property. Exploration in the Spanish Mountain area is largely driven by a combination of geological, geochemical and geophysical airborne and ground surveys. Acrex has completed airborne electromagnetic and magnetic surveys over its property, as well as soil sampling and prospecting.

The results from the Acrex 2010 drill programme, combined with the results from the recently completed drilling by Spanish Mountain Gold, continue to support a corridor of gold-bearing volcanic and sedimentary rocks as a good exploration target for bulk-mineable gold mineralization, similar to that found in the Main Zone on Spanish Mountain Gold's property.

Since the end of the 2010 work programme the Company has conducted no further work on the property.

(b) *Rainbow Canyon, Nevada property*

The Company has entered into an agreement dated March 25, 2011 to purchase 52 non patented mining claims known as the Rainbow Canyon property. The purchase price of the claims is $125,000 (US) cash. A 3.0% NSR royalty is reserved to the Vendor subject to the Company's option to purchase up to a 2.0% NSR royalty by the payment of $500,000 for each 1.0% NSR royalty purchased.

In April, 2011 Acrex completed a sampling programme that involved taking 30 rock chip and grab samples from quartz veins, quartz veinlets and altered wallrock material that occurs in prospect pits, rock dumps, trenches and outcroppings of mineralization on the claims. Results showed that, of the 30 sites samples, 20 samples had greater than 0.l50 g/t gold and 14 samples had greater than 1.0 ppm gold with a maximum, in one sample, of 48.2 g/t gold. Alteration around the quartz veins suggests a low sulfidation gold mineralizing event.

The property is underlain by mafic to felsic volcanic rock of Tertiary age. The presently known gold mineralization occurs in altered mafic volcanics of the Alta Formation and is thought to be similar in age and host rock type to the nearby Comstock Mine. The property is situated within the Walker Lane structural belt which is host to several major gold and silver deposits with historical production. These include the bonanza gold-silver vein deposits of the Comstock Mine, as well as large, bulk-mineable, gold-silver deposits such as the Rawhide Mine, and Paradise Peak.

The Company is awaiting recommendations from its geological consultants as to a further exploration programme that the Company intends to carry out on the property.

(d) *Financing*

The Company did not do any financing in 2011 or during the period since then.

2. **Summary of Quarterly Results**

The following information is provided for each of the 8 most recently completed quarters of the Company:

	Dec. 31/11	Sept. 30/11	June 30/11	March 31/11	Dec. 31/10	Sept. 30/10	June 30/10	March 31/10
(a) Net sales or total revenues	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
(b) Loss before extraordinary items - total - per share undiluted - per share diluted*	 $98,990 0.00	 114,954 0.00	 95,481 0.00	 80,775 0.00	 158,624 0.00	 135,271 0.00	 95,886 0.00	 90,793 0.00
(c) Net loss (gain) - total - per share undiluted - per share diluted*	 96,702 0.00	 114,954 0.00	 95,481 0.00	 75,920 0.00	 250,199 0.01	 135,271 0.00	 95,886 0.00	 90,793 0.00

*As the effect of any dilution is to reduce the reported loss per share, fully diluted loss per share information has not been shown.

The loss figures shown in the quarter ending December 31, 2011 are not inconsistent with the average loss figures for the preceding quarters.

The differences in the figures between the various other quarters have been due only to the amount of activity by the Company in each quarter – primarily in raising funding or supervising exploration work on its properties. In addition some year-end expenses were booked which were not recognized proportionately in earlier quarters.

3. **Liquidity**

At the fiscal year-end – December 31, 2011 - the Company had cash on hand of $436,531 (2010 - $974,072) and net working capital of $424,189 (2010 - $968,610). At the close of business April 15, 2012 the Company had cash on hand of approximately $395,000. The Company has no financial commitments other than to pay its monthly general and administrative expenses and monthly management and directors' fees.

4. **Selected Annual Information**

The following information is given for the last three fiscal years of the Company:

	December 31, 2011 - $	December 31, 2010 - $	December 31, 2009 - $
(a) Net sales or total revenues	Nil	Nil	Nil
(b) Net income or (loss) before other or extraordinary items: – total – per share undiluted - per share diluted *	 (390,200) (0.01)	 (480,574) (0.01)	 (306,520) (0.01)

(c) Net income or (loss) - total - per share undiluted - per share diluted *	(383,057) (0.01)	(572,149) (0.01)	(1,239,546) (0.03)
(d) Total assets	$1,994,775	2,363,368	$2,861,457
(e) Total long-term financial liabilities	Nil	Nil	Nil
(f) Cash dividends declared per share	Nil	Nil	Nil

* As the effect of any dilution is to reduce the reported loss per share, diluted loss per share information has not been shown.

The above data was prepared in accordance with Canadian Generally Accepted Accounting Principles – and for 2011 in accordance with International Financial Reporting Standards.

Differences in the annual figures were largely due to the different amounts of property write-down figures the Company had in the various years.

5. **Transactions with Related Parties**

The related party transactions in 2011 were:

(a) the Company paid $9,000 per month - total $108,000 (2010 - $108,000) to a company which is wholly owned by the President Mr. Malcolm Powell – in payment for Mr. Powell's management of the Company. With the same company the Company incurred equipment rental charges of $16,945 (2010 - $16,535).

(b) Carl Jonsson, a director, is a principal in Tupper Jonsson & Yeadon, the law firm which acts as the Company's Solicitors – and accordingly receives a benefit from the fees paid to the law firm for services rendered – which are rendered almost exclusively by Mr. Jonsson. In the fiscal year covered by this Statement the legal fees were $23,550 (2010 - $23,300).

(c) The Company paid a Director $76,935 (2010 - $76,858) for shareholder and investor relations and other services.

(d) Geological consulting fees of $2,250 were paid to a Director.

6. **Fourth Quarter**

There were no events or items in the Company's fourth quarter which significantly affected its financial condition, cash flow or results of operations.

7. **Other MD & A Requirements**

(a) Additional information relating to the Company – including the quarterly financial statements and MD&A's for the fiscal year ended December 31, 2011 - have been filed on SEDAR and are available at www.sedar.com. Information about the Company may also be seen on its website at www.acrexventures.com.

(b) As the Company has not had any revenue from operations in its last two financial years the following additional information is provided:

(A) Breakdown of exploration costs for the last two completed fiscal years ending December 31, 2010 and December 31, 2010:

	2010 $	2011 $
Assays	42,681	2,967
Drilling	99,065	-
Surveying, linecutting and geological	149,605	32,889
Other	-	2,224
Support	-	-
Totals:	291,351	38,080

(B) General and administration expenses.

Breakdown of general and administration expenses for the last two completed fiscal years ending December 31, 2010 and December 31, 2011:

	2010 $	2011 $
Management fees	108,000	108,000
Investor relations	99,995	62,437
Promotion and travel	51,793	27,162
Consulting	25,500	10,500
Office and general	40,774	29,080
Accounting and audit	30,500	43,500
Legal	24,086	23,550
Advertising	15,760	13,628
Rent	15,385	15,240
Transfer agent fees	8,549	8,616
Filing fees	5,968	12,482
Donations	3,000	-
Insurance	700	500
Totals:	430,010	354,695

(c) Outstanding share data – as at April 15, 2012:

(i) The Company has 40,760,447 common shares issued. The shares are all voting shares and rank equally with each other.

(ii) The Company has 3,150,000 share purchase options outstanding entitling the purchase of:

- 400,000 shares exercisable at $0.16 per share before July 2, 2012
- 1,200,000 shares exercisable at $0.16 per share before December 17, 2012
- 465,000 shares exercisable at $0.10 per share before December 11, 2013
- 410,000 shares exercisable at $0.10 per share before July 19, 2015
- 675,000 shares exercisable at $0.10 per share before August 9, 2016

(iii) The Company has no share purchase warrants outstanding.

8. **Financial and Other Instruments**

The Company's financial instruments consist of cash and cash equivalents, marketable securities and accounts payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

9. **Controls**

(a) *Evaluation of disclosure controls and procedures*

Public companies are required to perform an evaluation of disclosure controls and procedures annually and to disclose management's conclusions about the effectiveness of these disclosure controls and procedures in its annual Management's Discussion and Analysis. The Company has established, and is maintaining, disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is disclosed in annual filings, interim filings or other reports, and is recorded, processed, summarized and reported within the time periods specified as required by securities regulations.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2011 and, given the size of the Company and the involvement at all levels of the Chief Executive Officer, and the Chief Financial Officer, believes that they are sufficient to provide reasonable assurance that the Company's disclosures are compliant with securities regulations.

(b) *Internal controls over financial reporting*

As at December 31, 2011 management of the Company is responsible for evaluating the design of internal control over financial reporting. The Chief Executive Officer and Chief Financial Officer, together with other members of management, after having designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reporting in accordance with Generally Accepted Accounting Principles as of December 31, 2011, have not identified any changes to the Company's internal control over financial reporting in the latest reporting period that would materially affect, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

10. **Change in Accounting Policies including Initial Adoption and Recent Accounting Pronouncements Not Yet Adopted**

(a) In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The AcSB also issued Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests", which replace Section 1600, "Consolidated Financial Statements". These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, "Business Combinations". These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests. The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards. The Non-Controlling Interests standard should be applied retrospectively except for certain items. The Company does not expect the adoption of this standard will have a significant impact on its financial statements.

In August 2009, the AcSB issued amendments to Section 1625, Comprehensive Revaluation of Assets and Liabilities, for consistency with new Section 1582, Business Combinations. The amendments require that, when push-down accountig is used following the acquisition of an enterprise, the assets and liabilities are to be measured at the values used in accounting for the purchase transaction or transactions in accordance with Section 1582. The amendments also require that, when a future income tax asset that arose prior to the date of a comprehensive revaluation and that was not recognized in the comprehensive revaluation is subsequently recognized, the benefit should be recognized in accordance with Section 1582 and Section 3465, Income Taxes. The Company is currently assessing the future impact of this standard on its financial statements.

The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Early adoption is permitted as of the beginning of a fiscal year. An entity adopting this Section for a fiscal year beginning before January 1, 2011 also adopts Section 1582.

Also in August 2009, the AcSB issued amendments to Section 3251, *Equity*, as a result of issuing Section 1602, *Non-controlling Interests*. The amendments require non-controlling interests to be recognized as a separate component of equity.

The amendments apply only to entities that have adopted Section 1602.

(b) Securities regulators and the Canadian Accounting Standards Board have edicted that all public Canadian companies must adopt and comply with IFRS effective January 1, 2011 with restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010 and for all interim periods reported within 2010. The Company is currently assessing the adoption of IFRS for 2011. However the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time. At this point, due to the limited nature of the Company's activities, it is not expected that the transition to IFRS will have a significant impact. Management has formulated a changeover plan. Although companies are, in some cases, entitled to adopt certain new accounting policies that will comply with IFRS prior to 2011, the Company has not concluded that it would be appropriate for it to adopt any of the new accounting policies prior to the date they will be required.

11. **Risks and Uncertainties**

Resources exploration is a speculative business and involves a high degree of risk which even a combination of professional evaluation and management experience may not eliminate. There is no certainty that expenditures made by the Company on the exploration of properties will result in discoveries of commercial quantities of minerals. Significant expenditures are required to locate and estimate reserves, and further the development of a property. Capital expenditures to bring a property to commercial production are also significant. There is no assurance that the Company will be able to arrange sufficient financing to bring a property into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties or Aboriginals to property title
- Environmental issues
- Federal and provincial political risk
- Commodity price risk
- Financial markets

12. **Environmental Risk Disclosure**

Conducting mineral exploration activities give rise to a risk that environmental damage could be done - which, for the Company, would be principally:

(a) inadvertently causing a fire - which could become a forest fire - in the area of the exploration activities; and

(b) fuel or chemicals - or equipment containing fuel or chemicals - could spill or fall into a stream which could result in downstream damage to fish or fish habitat.

The Company, in engaging contractors to carry out exploration activities on its behalf, requires that the contractors commit to using industry-best practices to ensure that the work that they perform on behalf of the Company does not result in any environmental damage, and that they are equipped, in case environmental damage should occur, to immediately eliminate the risk or mitigate the damage. Nevertheless, as the work being done is under the control of independent contractors and not under full or constant supervision by representatives of the Company, activities could be undertaken by the contractors or their employees which would be considered environmentally hazardous or which could cause environmental damage.

The Company, through reports from its independent contractors and geologists that it has periodically on the site of work being done by the Company, is satisfied that the Company and the contractors engaged in the past have not caused any material environmental damage and that if the contractors have caused any non-material environmental damage it has been remediated promptly and effectively.

To the best of the knowledge of the Company's Management and Directors the Company is not subject to any potential existing environmental liabilities. The Company has therefore not set up in its financial statements any reserve against potential liability for environmental damage.