GoldTrain Resources Inc.
Management Discussion & Analysis (the "MD&A")
December 31, 2010

Dated: April 29, 2011

GoldTrain Resources Inc. ("**GoldTrain**" or the "**Company**") is a junior exploration company engaged in exploration for mineral deposits in the Northern Ontario region of Canada. The Company is in the early exploration stage with respect to all of its properties.

This MD&A follows National Instrument Form 51-102F1 of the Canadian Securities Administrators regarding continuous disclosure for reporting issuers. It is a complement and supplement to the audited financial statements of GoldTrain for year ended December 31, 2010 and the thirteen month period ended December 31, 2009, and should be read in conjunction with those statements, including the notes thereto. This MD&A represents the view of management on current activities and past and current financial results of GoldTrain as well as an outlook of the activities of the coming months. The Company's interim financial statements are presented in accordance with Canadian generally accepted accounting principles. Both the interim financial statements and the MD&A can be found on SEDAR at www.sedar.com.

Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars and all financial information (as derived from the Company's financial statements) has been prepared in accordance with Canadian generally accepted accounting principles.

1.1 Date: This MD&A for the year ended December 31, 2010 is dated effective as of April 29, 2011.

1.2 Caution Regarding Forward-Looking Statements: This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its prospects, business and the economic environment in which it operates as of the date of the MD&A. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "would", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Without limiting the generality of the foregoing, Sections 1.10 and 1.7 below entitled "*Outlook*" and "*Overall Performance*" contain some forward-looking statements with respect to opportunities for the Company to add undervalued assets to its portfolio and Section 1.9 below entitled "*Liquidity and Capital Resources*" contains some forward-looking statements, in particular with respect to prospects for future financings. These and other forward-looking statements are reasonable but involve a number of risks and uncertainties (see discussion under Section 1.18 "*Risks and Uncertainties*" below), and there can be no assurance that they will prove to be accurate. In addition, although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. Therefore, actual outcome and results may differ materially from those expressed in or implied by these forward-looking statements. Many factors could cause results to differ materially from the results discussed in the forward-looking statements, including risks related to the economic conditions and regulatory demands, which are not within the control of the Company, among others. These forward-looking statements are made as of the date of this MD&A and, subject to regulatory requirements, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Accordingly, readers should not place undue reliance on forward-looking statements.

1.3 About GoldTrain: GoldTrain's principal business is the acquisition and exploration of mineral exploration properties. The Company has material mineral properties in Northern Ontario. The Company has not presently determined whether any of its mineral rights contain mineral reserves that are economically recoverable. The exploration and development of mineral deposits involves significant financial risks. See Section 1.18 "*Risks and Uncertainties*". The Company is dependent on the success of its financing activities. The success of the Company will be influenced by a number of factors, including exploration and extraction risks, regulatory issues, environmental regulations and other matters.

1.4 Recent developments: This will be a year of transition for the Company. During 2009, the Company's reorganization and reverse takeover (the "**Reorganization**") were completed, the Company's shares became listed on the Canadian National Stock Exchange (the "**CNSX**") and the Company completed two financings. In 2010, the Company explored some of the mineral potential of its properties. In 2011, the Company will continue to explore these properties, with a focus on the Missinabie area and to consider expanding these properties or adding new properties to its portfolio.

On April 19, 2011, the Company completed a private placement totaling 3,240,000 units at $0.05 each for an aggregate amount of $162,000. Each unit is comprised of one common share and one common share purchase warrant, each such warrant being exercisable to purchase one common share at a price of $0.10 for a period of 24 months.

On or about December 13, 2010, the Company entered into an agreement to purchase a 100% interest in 11 patented and 11 leased claims in Leeson Township (Nudulama Property) approximately 85 kilometers northeast of Wawa, Ontario. The patented claims are adjacent to the Missinabie Property. Under the terms of the agreement, the Company agreed to pay $100,000, issue 300,000 common shares and issue 300,000 warrants on the closing of the agreement. Each warrant will entitle the holder to acquire one common share at an exercise price of $0.10 for 24 months. The vendor will retain a 2% net smelter royalty on the property, one-half of which can be purchased for $1,000,000. This agreement is still subject to completion of closing documents and transfer of consideration by each party.

Utilizing the proceeds from the flow-through financing completed in 2009, the Company undertook exploration activities on each of its three exploration properties. At Missinabie, the Company completed a diamond-drilling program consisting of 623m of drilling in four (4) drill holes to test the "D-vein" and the "D-structure", encountering significant gold mineralization on three holes (see Section 1.6 below). The Company also obtained assays for its December 2007 drilling program at the Janes Property (see Section 1.6 below). Finally, the Company undertook a preliminary exploration program at its Clement Property, comprised of an airborne high-resolution geophysical survey, followed by trenching; and "ground-truthing" and, more recently, a stream sediment sampling program (see Section 1.6 below).

On August 5, 2010, GoldTrain also appointed Johnny Oliviera as Chief Financial Officer to replace John Scura who will continue his involvement with the Company as a consultant. Mr. Oliviera is a chartered accountant with several years of experience with mining and mineral exploration companies, including as an auditor. These changes will strengthen the Company's management.

1.5 Mineral properties: The mineral properties which GoldTrain owns are those formerly owned by Goldwright; in addition, in 2010 GoldTrain acquired or entered into agreements to acquire some additional claims adjoining or close to its Missinabie Property. GoldTrain is focused on mineral exploration in Northern Ontario. The 75% owned Chiniguchi River Property, which is located in Janes Township, Sudbury Mining District, comprises a contiguous block of eight claims for slightly over 120 claim units (covering approximately 1920 hectares). GoldTrain has recently staked an additional 4 claims (49 units covering approximately 748 hectares) adjoining the Janes property to the south (see press release dated August 11, 2010). In addition, GoldTrain has two other properties in Northern Ontario, known as the Brackin Gold Property (also called the Missinabie Property) and the Manitou Lake Property (also called the Clement Property), respectively. The 100% owned Brackin Gold Property ("Missinabie") now consists of 7 claims of which 6 are contiguous (covering approximately 1,142 hectares) in Brackin and Leeson Townships, Sault Ste Marie Mining Division, Ontario located 100 km northeast of Wawa, Ontario. GoldTrain has recently acquired 2 additional staked claims (25 units covering approximately 400 hectares) adjoining the Nudulama property to the north. The 100% owned Manitou Lake Property ("Clement") consists of 15 contiguous mining claims (227 claim units) in Clement Township, 65 kilometers northeast of Sudbury, covering approximately 3632 hectares (see press release dated August 11, 2010). Technical reports prepared in accordance with National Instrument 43-101 have been prepared for each of the Chiniguchi River Property and the Brackin Gold Property. They may be found on the Company's site on SEDAR at www.SEDAR.com.

1.6 Recent activities:

(a) Exploration activities
In 2010, the Company was focused on resuming its exploration activities.

Missinabie Property: In the summer of 2009, the Company undertook a channel-sampling program on its 100% owned Missinabie Property. A total of 14 samples were taken, the highlights of which are as follows:

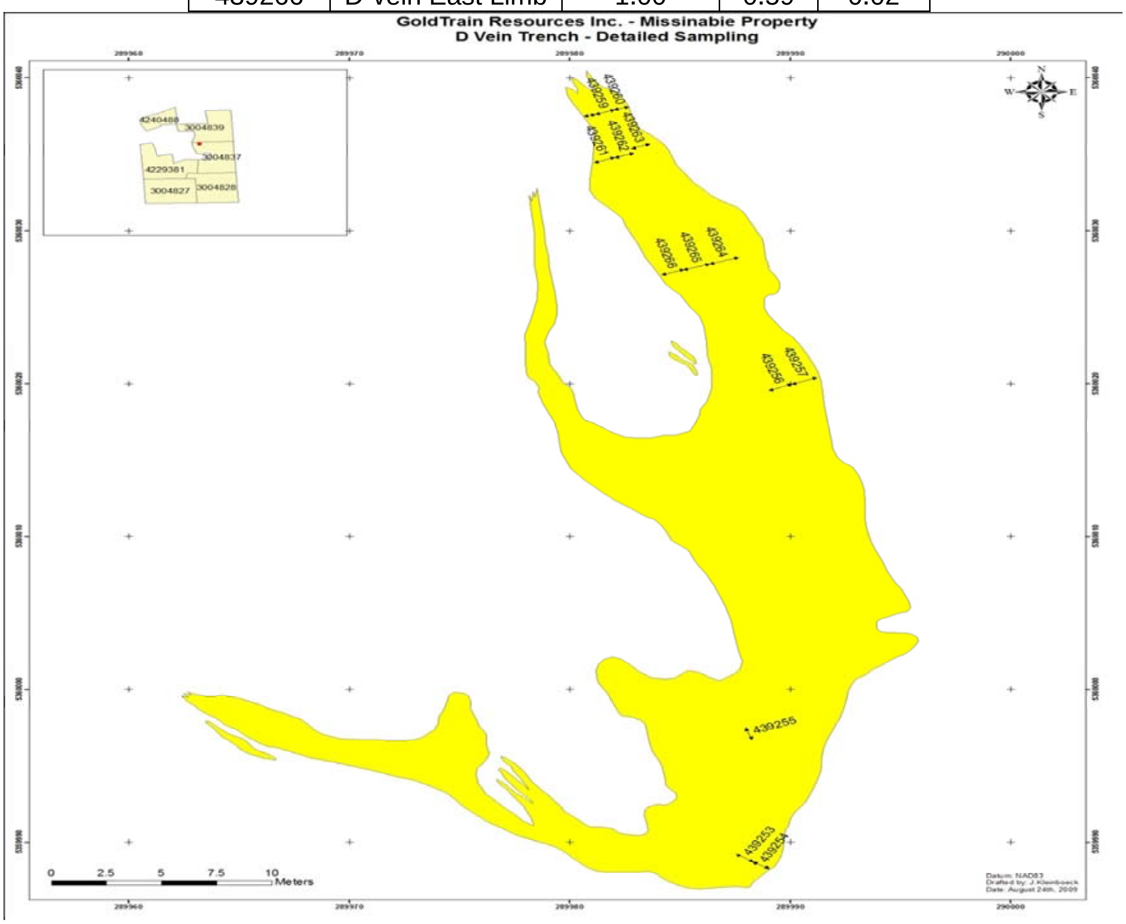
1. 21.6 g/t Au over a channel length of 2.0 m
   (Samples 439253 and 439254)
2. 10.59 g/t Au over a channel length of 3.00 m including 27.9 g/t Au over 1.0 m
   (Samples 439258, 439259 and 439260)
3. 9.82 g/t Au over a channel length of 0.65 m
   (Sample 439255)
4. 5.69 g/t Au over a channel length of 2.0 m including 10.85 g/t Au over 1 m
   (Samples 439256 and 439257)
5. 2.11 g/t Au over a channel length of 3.0 m including 5.04 g/t Au over 1 m
   (Samples 429261, 429262 and 429263)
6. 0.65 g/t Au over a channel length of 3.0 m including 0.9 g/t Au over 1 m
   (Samples 439264, 439265 and 439266)

All samples returned significant gold values ranging from a low of 0.27 g/t Au to a high of 27.9 g/t Au.

The sample locations are shown in map set out below and the recent mapping has demonstrated that there is considerable potential to expand the widths of high grade values particularly in the hinge zone and along the limbs. The surface exposure of the D-vein consists of a folded quartz vein that averages approximately 3 m in width along an exposed strike length of 80 m. The veining and associated mineralization obtains widths of greater than 6 m at the hinge of the fold.

The complete results of the channel sampling program are shown in the table below.

Sample #	Vein	Length (m)	g/t Au	oz/t Au
439253	D-vein Hinge	1.00	22.6	0.66
439254	D-vein Hinge	1.00	20.6	0.60
439255	D-vein Hinge	0.65	9.82	0.29
439256	D-vein East Limb	1.00	10.85	0.32
439257	D-vein East Limb	1.00	0.53	0.02
439258	D-vein East Limb	1.00	27.9	0.81
439259	D-vein East Limb	1.00	1.08	0.03
439260	D-vein East Limb	1.00	2.79	0.08
439261	D-vein East Limb	1.00	1.01	0.03
439262	D-vein East Limb	1.00	5.04	0.15
439263	D-vein East Limb	1.00	0.27	0.01
439264	D-vein East Limb	1.00	0.9	0.03
439265	D-vein East Limb	1.00	0.47	0.01
439266	D-vein East Limb	1.00	0.59	0.02



In March 2010, the Company announced the assay results from its Phase 1 diamond-drilling program on its Missinabie Property. The program consisted of 623 m of drilling in four (4) drill holes along a strike length of approximately 200 m. The drill holes tested the "D vein" and "D structure" for near-surface mineralization to a maximum vertical depth of 125 m. The "D structure" is a north-south trending shear zone that is part of a larger system of north-south and east-west trending shear zones that host significant gold mineralization, most notably the former gold-producing Renabie Mine (historical production of 5,583,000 tons with an average grade of approximately 0.20 oz Au/ton).

Drill hole MI10-01 tested the "D Vein" where significant gold mineralization was encountered during a trenching and sampling program completed by GoldTrain (see press release dated September 9, 2009). Drill holes MI10-02 through MI10-04 tested the "D structure" over a strike length of 200 m; three holes encountered significant gold mineralization.

1. Drill hole MI10-03 intersected multiple zones including:
   - 24.80 m grading 0.56 g Au/t, including a higher grade interval within this zone grading 2.55 g Au/t over 2.20 m, and
   - 2.00 m grading 0.62 g Au/t.

2. Drill hole MI10-02 intersected multiple zones of gold mineralization including 3.40 m grading 1.09 g Au/t, 5.60 m grading 0.47 g Au/t, and 9.00 m grading 0.31 g Au/t.
3. Drill hole MI10-01 intersected 1.51 m grading 0.67 g Au/t

Hole #	Easting	Northing	From	To	Interval (m)	Grade (g Au/t)
MI-01	289952	5360048	7.23	8.74	1.51	0.667
MI-02	289802	5360176	15.90	19.30	3.4	1.09
			26.60	32.20	5.6	0.47
			62.70	71.70	9	0.31
MI-03	289866	5360108	20.50	22.50	2	0.62
			33.40	58.20	24.8	0.56
	including		56.00	58.20	2.2	2.55
MI-04	289911	5360023			No significant values	

The Phase 1 program has successfully identified the presence of significant gold mineralization encountered at shallow depths. These results will help to identify and prioritize additional drill targets for a Phase 2 diamond drilling program. Those exploration activities led the Company to stake additional claims adjoining its original claim block.

Janes Property: In March 2010, the Company announced assay results from the drill program which had been completed on the Company's 75% owned Janes Property in December 2007 but for which the core had not been assayed. Those assays were processed in the first quarter of 2010. Highlights included the following:

1. Hole # JR07-30 - 26.0 m of 0.54% copper, 0.22% nickel, 0.65 g palladium/t, 0.16 g platinum/t, 0.20 g gold/t including 11.0 m of 0.62% copper, 0.26% nickel, 1.18 g palladium/t, 0.23 g platinum/t, 0.25 g gold/t

2. Hole # JR07-31 - 11.0 m of 0.55% copper, 0.22% nickel, 1.30 g palladium/t, 0.24 g platinum/t, 0.22 g gold/t

3. Hole # JR07-32 - 8.0 m of 0.71% copper, 0.34% nickel, 0.53 g palladium/t, 0.14 g platinum/t, 0.16 g gold/t

4. Hole # JR07-29 - 6.0 m of 0.62% copper, 0.26% nickel, 1.93 g palladium/t, 0.31 g platinum/t, 0.25 g gold/t

A 9-hole diamond drill program totaling 826 m was drilled on GoldTrain's 75%-owned Janes Property in December 2007. The core has been stored in a secure location at GoldTrain's field office in Hagar, Ontario. This drill program was designed to test the strike and down-dip extensions, as well as provide infill drilling of previous drill programs completed by joint-venture partners, Pacific North Capital Corp. and Anglo American Platinum Corp. The core was not logged or assayed until 2010 as GoldTrain was in the transformation of becoming a listed company.

A down-hole induced polarization (IP) survey of five drill holes completed in 2008 produced several off-hole anomalies that remain to be tested. Significant assay results from the recently completed diamond drilling program are listed in Table 1 below:

Table Significant results of the 2007 Diamond Drilling Program, Chiniguchi River Property

DDH #	From	To	Interval	Cu	Ni	Pd	Pt	Au
	(m)	(m)	(m)	%	%	gpt	gpt	gpt
JR07-29	7.20	27.00	19.80	0.48	0.20	1.09	0.20	0.19
Including	19.00	25.00	6.00	0.62	0.26	1.93	0.31	0.25
JR07-30	14.00	40.00	26.00	0.54	0.22	0.65	0.16	0.20
Including	28.00	40.00	11.00	0.62	0.26	1.18	0.23	0.25
JR07-31	13.00	37.00	24.00	0.55	0.21	0.73	0.17	0.20
Including	26.00	37.00	11.00	0.55	0.22	1.30	0.24	0.22
JR07-32	42.00	54.00	12.00	0.62	0.28	0.45	0.12	0.15
Including	46.00	54.00	8.00	0.71	0.34	0.53	0.14	0.16
JR07-27	27.00	28.00	1.00	0.18	0.07	1.29	0.23	0.13

Table 2 Diamond Drill Summary, Chiniguchi River Property

DDH	Easting	Northing	AZ	DIP	LENGTH (m)	Comments
JR07-27	547317	5171245	300	65	62	Anomalous Values
JR07-28	547317	5171245	300	45	74	Anomalous Values
JR07-29	547202	5171086	300	80	62	Significant Values
JR07-30	547238	5171129	300	80	71	Significant Values
JR07-31	547238	5171129	300	50	62	Significant Values
JR07-32	547215	5170929	300	50	71	Significant Values
JR07-33	547231	5170953	300	50	64	Not sampled off hole I.P Targets
JR07-34	547230	5171042	300	80	82	Not sampled off hole I.P Targets
JR07-35	547230	5171042	300	50	80	Not sampled off hole I.P Targets
JR07-36	547238	5171129	300	90	233	Anomalous Values Several off hole I.P targets

Clement Property: Finally, in the winter of 2009, the Company undertook a preliminary exploration program at its Clement Property comprised of an airborne high-resolution geophysical survey, followed by trenching and "ground-truthing" to help identify the local geology and mineralization and plan further exploration programs. Those exploration activities led the Company to stake additional claims adjoining its original claim block.

In September and October 2010, the Company undertook a stream sediment sampling program. A total of 10 samples over a downstream distance of approximately 500 metres were collected and assayed. All samples returned highly anomalous gold values as high as 1.58g Au/t. (See press release dated October 6, 2010.)

(b) Financing activities

On April 19, 2011, the Company completed a private placement totaling 3,240,000 units at $0.05 each for an aggregate amount of $162,000. Each unit is comprised of one common share and one common share purchase warrant, each such warrant being exercisable to purchase one common share at a price of $0.10 for a period of 24 months.

On December 31, 2009, the Company completed a financing by issuing 3,300,000 units at $0.10 each to raise gross proceeds of $330,000. Each unit was comprised of one flow-through share and one warrant, each such warrant entitling the holder to purchase one common share for $0.12 until June 30, 2010, for $0.15 from July 1, 2010 until December 31, 2010 or for $0.20 from January 1, 2011 until December 31, 2011.

1.7 Overall performance:

(a) Financial Condition

The Company had a working capital deficiency of $447,186 as at December 31, 2010, compared to a positive working capital of $130,487 as at December 31, 2009. The change in working capital was due mainly to increased investment in exploration properties associated with the Company's increased exploration activities during the year, as well as increases in professional fees and other overhead expenses associated with its operations. Throughout the year, the Company had no cash flow generating operations and no assured capital resources. The Company was dependent on financing arrangements made at the end of 2009 for exploration activities and dependent on arrangements for services to the Company made by its directors and officers without immediate compensation.

The Company also had an outstanding commitment to the subscribers of its flow-through share financing to incur qualifying exploration expenditures aggregating $330,000 by December 31, 2010, of which all had been fulfilled by December 31, 2010. The future of the Company remains dependent on the success of its financing activities. The Company is without sufficient cash assets to meet its current commitments and no cash flow generating operations. The only current sources of future funds available to the Company are the sale of additional equity capital and the borrowing of funds. A possible alternative may be the credit from time to time of some service providers. There is no assurance that such funding or credit will be available or that it will be obtained on favourable terms or will provide the Company with sufficient funds or financial resources to meet its objectives, which may adversely affect the Company's business and financial position.

(b) Results of Operations

The net loss for the year ended December 31, 2010 was $27,477 (2009 thirteen month period – gain of $381,256) principally due to a future income tax recovery of $180,069 (2009 thirteen month period - $Nil), decreased professional and consulting fees of $120,325 (2009 thirteen month period - $218,740) and decreased bonuses of $Nil (2009 thirteen month period - $75,000). These decreases were offset by an increase in stock-based compensation of $57,000 (2009 thirteen month period - $Nil) and a gain on debt relief of $nil (2009 thirteen month period - $689,503). The decreases in expenses are a result of the Company trying to preserve cash to focus on exploration of the Company's mineral properties.

The net loss for three months ended December 31, 2010 was $69,128 (2009 – gain of $684,574) principally due to a gain on debt relief of $nil (2009 thirteen month period - $689,503).

(c) Cash Flows

The Company completed private placements on or about December 31, 2009 for gross proceeds of $330,000 by issuing 3,300,000 units at $0.10 per unit (each unit was comprised of one flow-through share and one warrant – each warrant entitles the holder to purchase one additional non-flow-through share at $0.12 until June 30, 2010, at $0.15

from July 1 to December 31, 2010 or at $0.20 at any time during 2011). The Company paid finder's fees of $24,000 in cash and $2,400 in shares and 10% in finder's options (each finder's option entitles the holder to purchase for $0.10 one unit comprised of one share and one warrant).

In the year ended December 31, 2010, the Company undertook exploration activities on all three of its properties in northern Ontario. As a result, the Company increased its investment in exploration properties by $385,863 (2009 thirteen month period - $10,200). Operating activities provided cash resources of $48,447 (2009 thirteen month period - $338,677) as the Company continues to try to preserve cash to focus on exploration of the Company's mineral properties. Financing activities used cash resources of $Nil (2009 thirteen month period - $11,906) as the Company raised proceeds of $Nil (2009 - $709,798) and used those proceeds to decrease loans of $Nil (2009 thirteen month period - $727,704). Therefore, cash resources reduced by $310,216 during the year ended December 31, 2010 (compared to an increase of $316,751 during the thirteen month period for 2009).

Based on the foregoing, the Company had a working capital deficiency of $447,186 as at December 31, 2010, compared to a positive working capital of $130,487 as at December 31, 2009. The Company will be further accessing the equity market to fund expansion of the Company's agenda and complete planned mineral exploration activities. While there is no guarantee that this financing will be available, management does not have any reason to expect that it will not be accessible.

1.8 Selected financial information:

(a) Summary of quarterly results

(Thousands of dollars, except amount per share)

Quarter	Total income	Profit (loss)	Profit (loss) per share (basic and diluted)
December 31, 2010	Nil	(69)	<(0.01)
September 30, 2010	Nil	(20)	<(0.01)
June 30, 2010	Nil	99	<0.01
March 31, 2010	Nil	(36)	<(0.01)
December 31, 2009	Nil	685	0.03
September 30, 2009	Nil	(55)	<(0.01)
June 30, 2009	Nil	(237)	<(0.01)
March 31, 2008	Nil	(12)	<(0.01)

The variations between fiscal quarters in the amounts of the losses are dependent on the amount of financing raised in the applicable quarter, the amount of exploration activity conducted in such quarter and professional fees incurred in such quarter.

(b) NI 51-102 – Section 5.4: Disclosure of Outstanding Share Data
The number of issued and outstanding shares of GoldTrain as at the date hereof is 28,763,474. In addition, there are 10,350,000 share purchase warrants outstanding expiring at various dates between December 14, 2011 and April 19, 2013 and exercisable at various prices between $0.10 and $0.20 per share. There are also outstanding options to purchase 1,900,000 common shares issued under the Company's stock option plan. All options expire at various dates between January 18, 2015 and August 4, 2015 and are exercisable at various prices between $0.05 and $0.12 per share.

1.9 Liquidity and capital resources: The Company had a positive working capital of $130,485 as at December 31, 2009 as compared to a working capital deficiency of $447,186 as at December 31, 2010. The change in working capital was due mainly to exploration activities, as well as professional fees and overhead expenses associated with the Company resuming exploration activities following its reorganization and financings in 2009. Throughout the year, the Company had no cash flow generating operations and no assured capital resources. The Company was dependent on raising financing and on arrangements for services to the Company made by its directors and officers without immediate compensation.

On April 19, 2011, the Company completed a private placement totaling 3,240,000 units at $0.05 each for an aggregate amount of $162,000. Each unit is comprised of one common share and one common share purchase warrant, each such warrant being exercisable to purchase one common share at a price of $0.10 for a period of 24 months.

The Company is in current negotiations with various creditors in order to settle up to $166,623.66 of debt owing by the Company. This debt is expected to be settled on the same terms of the private placement completed on April 19, 2011. The Company will continue to pursue this option and other potential options in order to improve its working capital position.

It is anticipated that the Company will be able to complete private placements of "flow-through" common shares and ordinary common shares from time to time as required. The net proceeds would be used to fund exploration activities. It is not anticipated that the Class B warrants of the Company would be exercised in the very near future; they do not expire until two years after the date on which the shares of the Company became listed on a Canadian stock exchange – which occurred on December 14, 2009. The Company anticipates proceeding with private placements of both flow-through and non-flow-through shares from time to time to improve its cash resources and its working capital position to enable it to explore its mineral exploration properties and to cover its operating expenses.

1.10 Outlook: The Company's objectives and outlook for 2011 are to focus on its current portfolio of assets – the Missinabie, Nudulama, Janes and Clement projects – to continue to advance these projects. During 2011, the Company anticipates several exploration programs consisting of the drill testing of targets and additional geophysical survey work on projects where such evaluation has the greatest possibility of generating useful data, where outcrop is limited, to identify possible drill targets for subsequent exploration phases.

Also, the Company will continue to research and evaluate projects and properties that complement and enhance its current portfolio of assets in northern Ontario and other locations.

1.11 Mineral Properties and Deferred Exploration Expenditures: Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production or written-down if the properties are allowed to lapse or are abandoned. The deferred cost associated with each property is as follows:

As at December 31, 2010

	Balance, beginning of year	Additions	Write-Downs	Balance, end of year
Chiniguchi River	$ 445,419	$ 19,365	$ -	$ 464,784
Clement Township	55,294	103,925	-	159,219
Missinabie Property	274,401	235,440	-	509,841
Nudulama Property	-	27,133	-	27,133
	$ 775,114	$ 385,863	$ -	$ 1,160,977

As at December 31, 2009

	Balance, beginning of Year	Additions	Write-Downs	Balance, end of Year
Chiniguchi River	$ 445,419	$ -	$ -	$ 445,419
Clement Township	55,294	-	-	55,294
Missinabie Property	264,381	10,020	-	274,401
	$ 765,094	$ 10,020	$ -	$ 775,114

A breakdown of the major capitalized expenditures into their respective material components for year of 2010 and all of 2009 is shown below.

Year ended December 31, 2010

(Dollar amounts shown are approximate; percentages shown are of the total capitalized expenditures for the property indicated)

Name of Property or Project	Acquisition Costs	Assay Costs and Prospect Sampling	Drilling and Contractors	Geological and Geophysical Services	Transportation and Accommodation	Other Costs	Total of Capitalized Expenditures
Missinabie	$26,415 (11.2%)	$102,928 (43.7%)	$9,041 (3.9%)	$61,210 (26.0%)	$7,340 (3.1%)	$28,506 (12.1%)	$235,440 (100%)
Chiniguchi River	$4,900 (25.3%)	$5,865 (30.3%)	$0 (0%)	$6,950 (35.9%)	$1,426 (7.4%)	$224 (1.1%)	$19,365 (100%)
Clement	$6,000 (5.8%)	$24,507 (23.5%)	$48,512 (46.7%)	$14,400 (13.9%)	$8,761 (8.4%)	$1,745 (1.7%)	$103,925 (100%)
Nudulama	$11,985 (44.1%)	$1,048 (3.9%)	$0 (0%)	$14,100 (52.0%)	$0 (0%)	$0 (0%)	$27,133 (100%)

Thirteen months ended December 31, 2009

Name of Property or Project	Assay Costs	Drilling and Contractors	Geological and Geophysical Services	Transportation and Accommodations	Other Costs	Total Capitalized Expenditures
Missinabie	$1,092 (11%)	$8,928 (89%)	$0 (0%)	$0 (0%)	$10,020 (100%)	$10,020 (100%)
Chiniguchi River	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)
Clement	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)	$0 (n/a)

1.12 Significant Shareholders: To the best knowledge of the Company, at the end of Q4 2010, the Company had one shareholder who owned or exercised control over, directly or indirectly, 10% or more of the shares of the Company. As at the date hereof, Donald Alexander Sheldon had direct and indirect holdings (ownership and control) of 4,169,945 common shares representing approximately 14.5% of the issued and outstanding shares (as well as 1,197,151 of the Class B warrants (approximately 11.6% of such warrants) and options on 250,000 common shares (approximately 13.2% of such options)).

1.13 Related party transactions: Three officers of the Company (Brian Wright, Johnny Oliveira and Joerg Kleinboeck) provide professional and consulting services to the Company at standard rates. As well, a law firm of which a director of the Company, Donald Alexander Sheldon, is an officer, director and shareholder, provided professional services to the Company, and continues to provide professional services to the Company, at standard rates. In addition, the wife of an officer and director of the Company rents a core shack/field office storage facility to the Company.

1.14 Changes in accounting policies: The Company has not adopted any changes in accounting policies since the most recent annual audited financial statements.

International Financial Reporting Standards

The Canadian Accounting Standards Board ("AcSB") has confirmed that International Financial Reporting Standards ("IFRS") will replace current Canadian GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ending March 31, 2011.

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. While an analysis will be required for all current accounting policies, the initial key areas of assessment included:

- Exploration and development expenditures;
- Property, plant and equipment (measurement and valuation);

- Provisions, including asset retirement obligations;
- Stock-based compensation;
- Accounting for joint ventures;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progressed, other elements of the Company's IFRS implementation plan were also be addressed, including: the implication of changes to accounting policies and processes; financial statement note disclosures on information technology; internal controls; contractual arrangements; and employee training. The table below summarizes the expected timing and progress of these activities related to the Company's transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	Completed
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	Completed
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	Completed
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	Completed
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	Completed
Management and employee education and training	Completed
Quantification of the Financial Statement impact of changes in accounting policies	In progress

The Company continues to monitor the deliberations and progress on plans to converge to IFRS by accounting standard setting bodies and securities regulators in Canada.

The following provides a summary of the Company's evaluation to date of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but is intended to highlight the areas the Company has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time, however, the Company is not aware of any significant expected changes prior to its adoption of IFRS that would affect the summary provided below:

1) Exploration and Evaluation Expenditures

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment of costs related to the exploration for and evaluation of mineral properties. Exploration and evaluation costs are those expenditures for an area or project for which technical feasibility and commercial viability have not yet been determined. Under IFRS, GoldTrain will expense these costs as Exploration and Evaluation costs on the income statement. The initial adoption of this standard will result in a decrease in mineral properties and related deferred costs of $1,160,977 as at December 31, 2010. The charge of $677,045 will be made to retained earnings, future income tax recovery will decrease by $98,069 and $385,863 will be charged to Exploration and Evaluation costs on the income statement, and under the restated year ended December 31, 2010 income statement under IFRS. When the area or project is determined to be technically feasible and commercially viable, the costs will be transferred to PP&E. Development costs will include those expenditures for areas or projects where technical feasibility and commercial viability have been determined. Under IFRS, GoldTrain will capitalize these costs within PP&E on the balance sheet. The costs will be depleted on a unit-of-production basis.

2) Impairment of (Non-financial) Assets

IFRS requires a write down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, the Company does not expect that this change will have an immediate impact on the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

3) Share-based Payments

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to share-based payments that would result in a significant change in line items within its financial statements.

4) Asset Retirement Obligations (Decommissioning Liabilities)

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, the Company does not expect this change will have an immediate impact on the carrying value of its assets.

5) Property and Equipment

IFRS contains different guidance related to recognition and measurement of property and equipment than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to property and equipment that would result in a significant change to line items within its financial statements.

6) Income Taxes

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future income taxes than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to income taxes that would result in a significant change to line items within its financial statements.

7) Foreign Currency

IFRS requires that the functional currency of the Company be determined separately, and the factors considered to determine functional currency are somewhat different than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to foreign currency that would result in a significant change to line items within its financial statements at the transition date.

Subsequent Disclosures

Further disclosers of the IFRS transition process are expected as follows:

- The Company's first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending March 31, 2011, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim financial statements for the three months ending March 31, 2011, will also include the comparative period adjusted to comply with IFRS, and the Company's transition date IFRS statement of financial position (at December 31, 2010).

1.15 Financial instruments:

Fair Value of Financial Assets and Liabilities

The Company's financial instruments comprise cash, accounts receivable and accounts payable and accrued liabilities.

The Company has designated its cash as held-for-trading, which are measured at fair value. Accounts receivable are classified for accounting purposes as loans and receivables, which are measured at amortized cost which equals fair value. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also equals fair value. Fair values of accounts receivable and accounts payable and accrued liabilities are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements.

As at December 31, 2010, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

The Company has made the following classifications:

Cash	Held for trading
Accounts receivable	Other receivables
Accounts payable and accrued liabilities	Other liabilities
Promissory notes payable	Other liabilities

1.16 Significant Accounting Policies and Critical Accounting Estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Areas where management uses subjective judgment include, but are not limited to, recoverability of mineral properties and related deferred costs, future income taxes, the valuation of common shares issued for the acquisition of mineral resource properties and debt settlements and the valuation of warrants and options. Management believes that these estimates are reasonable.

While the Company feels that its estimates are reasonable at this time, a prolonged decline in commodity prices may impact the Company's estimate of capitalized mineral properties and deferred development expenditures and, as a result, future write-downs of these capitalized expenditures may be necessary. As well, if these economic conditions persist, the ability for the Company to realize its future income tax assets may also change given the difficulty in establishing future profitable operations at depressed commodity prices.

Mineral Properties and Related Deferred Costs

The Company records its interest in mineral properties at cost. Direct costs relating to the acquisition, exploration and development of mineral properties, less recoveries, are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned. If the property is placed into production, deferred costs will be amortized and depleted using the straight line method over the estimated economic life of the mine. The deferred costs would be written off if the property is sold or abandoned.

The amounts shown for mineral properties and related deferred costs represent costs incurred to date, less write-offs and recoveries, and do not necessarily reflect present or future values of the particular properties.

The Company reviews its mineral properties and related deferred costs on an annual basis to determine if events or changes in circumstances have transpired which indicate that its carrying value may not be recoverable. The recoverability of costs incurred on the mineral properties and deferred related costs is dependent upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company’s ability to attain profitable production. It is possible that conditions in the near-term could change the Company’s assessment of the carrying value.

Asset Retirement Obligations

The Company follows CICA 3110, “Asset Retirement Obligations” which requires that the estimated fair value of liabilities for asset retirement obligations be recognized in the period in which they are incurred. A corresponding increase to the carrying amount of the related asset is recorded and depreciated over the life of the asset. The estimates used in the valuations are based primarily on legal and regulatory requirements. It is possible that the Company’s estimates of its ultimate reclamation and closure liabilities could change as a result of changes in regulations, the extent of environmental remediation required, and the means of reclamation or cost estimates. Changes in estimates are accounted for prospectively from the period the estimate is revised.

An obligation has not been recorded with respect to asset retirement obligations (i.e. environmental remediation) for the Company's exploration and development properties. This is based on the fact that the mining and processing activities that give rise to the legal obligation have not yet occurred and/or the environmental disturbance which has occurred is not yet significant.

As at December 31, 2010 and 2009, the Company has not incurred or committed any asset retirement obligations.

Impairment of Long-lived Assets

GoldTrain reviews mineral properties and deferred costs for impairment on a periodic basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is computed using the declining-balance method at the following annual rates:

Vehicles	30%
Core Shack	20%

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Areas where management uses subjective judgment include, but are not limited to, recoverability of mineral properties and related deferred costs, future income taxes, the valuation of common shares issued for the acquisition of mineral resource properties and debt settlements and the valuation of warrants and options. Management believes that these estimates are reasonable.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on the differences between the carrying amount of assets and liabilities on the balance sheet and their corresponding tax values, using the substantively enacted tax rates expected to apply when these temporary differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

Flow-through Shares

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences.

The Emerging Issues Committee of the Canadian Institute of Chartered Accountants issued EIC 146 under which the Company is required to recognize the future income tax liability upon filing renunciation documents with the tax authorities and to treat it as a cost of issuing the flow-through shares.

Revenue Recognition

Interest income is recognized when earned over the passage of time.

Stock-based Compensation

The Company applies the fair-value based method to all stock options granted and warrants issued. Accordingly, compensation cost is measured at fair value at the date of grant and is expensed on a straight line basis over the vesting period, with the related credit included in contributed surplus. The applicable contributed surplus is transferred to share capital, if and when stock options are exercised. Any consideration paid on the exercise of stock options and warrants is credited to capital stock.

The Company uses the Black-Scholes option pricing model to determine the value of all issued options and warrants. The table in note 7 (b) of the Company's financial statements for the year ended December 31, 2010, summarizes the assumptions used with the Black-Scholes model for determining the value of the stock-based costs for the stock options and warrants issued in 2010 and 2009.

Financial Instruments

All financial assets and liabilities are initially recognized at fair value. In subsequent periods, financial assets and liabilities which are held for trading are recorded at fair value with gains and losses recognized in net income; financial assets which are loans and receivables or held to maturity are recorded at amortized cost using the effective interest rate method and gains and losses recognized in net income; financial assets which are available for sale are recorded at fair value with gains and losses recognized (net of applicable taxes) in other comprehensive income; financial liabilities that are not held for trading are recorded at amortized cost using the effective interest rate method and gains and losses recognized in net income.

GoldTrain follows the amendment to CICA Handbook Section 3862, financial instruments, which requires disclosure about inputs to fair value measurements within fair value measurement hierarchy as follows:

i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
iii) Level 3: inputs for the asset or liability that are not based on observable market data.

Other Stock-based Payments

The Company accounts for other stock-based payments based on the fair value of services granted or the equity instruments issued in exchange for the receipt of goods and services from non-employees by using the stock price and other measurement assumptions at the measurement date, whichever is the more reliably measured.

Loss Per Share

Loss per share is calculated based on the weighted average number of shares issued and outstanding during the year. In the years when the Company reports a net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same.

Comparative Amounts

Certain prior year amounts have been reclassified to conform to account presentation in the current year. The net loss stated in prior year has not been affected by these changes.

1.17 Off-Balance Sheet Arrangements: The Company has not participated in any off-balance sheet or income statement arrangements.

1.18 Risks and Uncertainties: The Company faces a number of uncertainties, including the ability to raise sufficient capital to fund exploration activities and ongoing administrative expenses. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of its properties or even a loss of property interests. The business of the Company, mineral exploration and development, involves a high degree of risk. The exploration, development, mining and processing of minerals from the Company's properties will require substantial additional financing. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Nor is there any assurance that if such properties contain such ore bodies that the Company will be able to discover and develop them. The extraction of metals and minerals from ore involves complicated metallurgical processes and recovery rates and costs can vary; there is no assurance that ore bodies, if discovered, will be able to be mined economically or successfully.

(a) Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. The exploration and development of mineral deposits involve significant financial risks over a significant period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or proposed exploration programs on exploration properties in which the Company has an interest will result in a profitable commercial mining operation.

The operations of the Company are subject to all of the hazards and risks normally incidental to exploration and development of mineral properties, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. The activities of the Company may be subject to prolonged disruption of activities or scheduled work programs, due to weather conditions, barriers to property access, whether natural (such as floods or road damage) or man-made (such as blockades), depending on the location of operations in which the Company has interests. Hazards, such as unusual or unexpected formation, rock bursts, pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material. While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of the Company and, potentially, its financial position.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting and environmental protection. The effect of these factors cannot be accurately predicted, and the combination of these factors may result in the Company not receiving an adequate return on invested capital.

(b) Commodity Price Risk

The price of the common shares in the capital the Company, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold, copper, nickel, platinum or any other minerals discovered prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests in properties related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

(c) Competition

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and acquisition of attractive mineral properties. The ability of the Company to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

(d) Financing Risks

The Company has limited financial resources and no current revenues. There is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests.

(e) Permits and Licences

The operations of the Company may require licences and permits from various governmental authorities. The Company believes that it presently holds all necessary licences and permits required to carry on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is presently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. There can be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and mining operations at its projects.

(f) No Assurance of Titles

The acquisition of title to mineral projects is a very detailed and time consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned. Some of the Company's properties may be subject to claims from aboriginal peoples which may affect exploration activities and costs.

(g) Environmental Regulations

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploration and mining operations, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement; fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

(h) Conflicts of Interest

The directors and officers of the Company may serve as directors or officers of other public resource companies or have significant shareholdings in other public resource companies. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interest of the Company. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director is required by the *Business Corporations Act* (Ontario) to disclose the conflict of interest and to abstain from voting on the matter.

From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

(i) Dependence on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations.

(j) Political Risk

All of the Company's properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in that country. The Company's mineral exploration activities could be affected in varying degrees by such political instability, aboriginal land claims and government regulation relating to foreign investment and the mining business. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

(k) Interest Rate Risk

The Company invests cash surplus to its operational needs in investment-grade short term deposits certificates issued by the bank where it keeps its Canadian bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short term deposits certificates.

(l) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2010, the Company had current assets of $26,151 (2009 - $348,289) to settle current liabilities of $473,337 (2009 - $217,802). The ability of the Company to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. All of the Company's financial liabilities (other than long-term debt) have contractual maturities of less than 30 days and are subject to normal trade terms. As at December 31, 2010, the Company had a working capital deficiency of $447,186 (2009 – working capital of $130,487).

(m) Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

(n) Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

1.19 Additional information: Additional information about GoldTrain is available through filings on SEDAR (WWW.SEDAR.COM)

1.20 Approval: This MD&A was reviewed and approved by the Board of Directors of GoldTrain and is effective as of April 29, 2011.