Lakeside MINERALS INC

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED JANUARY 31, 2013

May 29, 2013

Management's discussion and analysis (MD&A) is current to May 29, 2013 and is management's assessment of the operations and the financial results together with future prospects of Lakeside Minerals Inc. ("Lakeside", "Corporation", or the "Company"). This MD&A should be read in conjunction with our consolidated financial statements and related notes for the years ending January 31, 2013 and 2012, prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Lakeside's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A.

Description of Business

On December 20, 2011, Grasslands Entertainment Inc., now Lakeside Minerals Inc. completed a reverse take-over ("RTO") with Lakeside Minerals Corp. and the name changed from Grasslands Entertainment Inc. to Lakeside Minerals Inc. The Company is engaged in the acquisition, exploration and development of mineral resource properties in Canada. The Company is in the process of exploring and has not yet determined whether there are economically viable reserves on the properties it has staked or optioned. As such, there is uncertainty with respect to the Company's ability to continue as a going concern, dependent upon such events as financing, discovery of reserves, and market demand conditions.

As at May 29, 2013, the members of Company's Management and Board of Directors consisted of:

Mario Justino	President and CEO
Marco Guidi	Chief Financial Officer
Adam Szweras	Secretary
Yannis Banks	Director and Chairman
Andres Tinajero	Director
Richard Cleath	Director
Jean-François Pelland	Director
Jean-Pierre Chauvin	Director
Jeremy Goldman	Director

The technical contents of this MD&A have been reviewed by Mr. Mario Justino M.Sc., P.Geo., a "Qualified Person" as defined in National Instrument 43-101, President and CEO of the Company.

Recent Developments

In order to concentrate on the advancement of its flagship Launay property, on January 30th, 2013, the Company terminated the option agreement on the Dufay property, northwestern Quebec.

Financing Developments

On March 25, 2013, the Company entered into shares for debt agreements totalling $333,639 with arm's length and non-arm's length parties. A total of 5,865,734 units, for gross proceeds of $293,287 were issued to unrelated parties for settlement of debt, and 807,053 common shares for gross proceeds of $40,353 were issued to insiders and related parties for outstanding fees. Each unit, priced at $0.05, consists of one (1) share and one (1) share purchase warrant. Each full warrant entitles the holder to acquire one common share of the Company at a price of $0.10 per share for a period of five years from the closing date. The term of the warrant is subject to an acceleration right at the option of the Company, provided that the common shares of the Company trade at or above $0.40 for a full 20 consecutive trading days and the Company has provided warrant holders with 30 days prior written notice of the accelerated warrant exercise date.

On December 27, 2012, the Company closed a non-brokered private placement of 1,270,000 units for gross proceeds of $63,000. The private placement comprised two types of units. Each unit A ("Unit A"), priced at $0.04 per unit, consists of one (1) common share of the Company (a "Common Share") and one half (1/2) of one Common Share purchase warrant (each a "Warrant A"); each unit B ("Unit B"), priced at $0.25 per unit, consists of four (4) flow-through shares (each a "FT Share"), one (1) Common Share of the Company, and one (1) Common Share purchase warrant ("Warrant B"). The relative fair value of the flow-through premium on the units was determined to be $20,000.

Each full Warrant A entitles the holder to acquire one common share of the Company at a price of $0.06 per Common Share for a period of 12 months from the closing date, then the exercise price of the Warrant A rises to $0.10 for an additional 12 months. Each full Warrant B entitles the holder to acquire one common share of the Company at a price of $0.10 per share for a period of 24 months from the closing date. The terms of both the Warrant A and B are subject to an acceleration right at the option of the Company, provided that the common shares of the Company trade at or above $0.20 for a full 20 consecutive trading days and the Company has provided Warrant holders with 30 days prior written notice of the accelerated Warrant exercise date. Details of the warrant valuation are disclosed in Note 14.

The Company paid a cash amount equal to 8% ("Finder's Fee") of the gross proceeds received from the sale of Units B, and finder's warrants ("Finder's Warrant") equal to 8% of the number of Units B sold under the Offering. Each Finder's Warrant will be exercisable at $0.25 to purchase five (5) additional common shares (the "Finder's Shares") and one (1) warrant, which is exercisable at a price of $0.10 per common share for a period of two (2) years from the closing date.

On March 14, 2012, the Company closed a non-brokered private placement of 1,713,079 units for gross proceeds of $222,700. The Company also issued 384,615 units to convert $50,000 worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company paid a finder's fee equal to 8% of the gross proceeds raised under the Offering and issued compensation options equal to 8% of the number of units sold under the Offering. Each compensation option is exercisable at a price of $0.13 into one common share of the Company and one warrant, exercisable at any time until 24 months from the date of closing.

Exploration Developments

On January 8, 2013 Lakeside Minerals Corp. entered into an agreement with privately owned 9219-8845 Québec inc. (Canadian Mining House) ("CMH") to acquire fifteen (15) mineral claims adjacent to the Company's Launay property claim blocks located in Launay, Privat, and Manneville Townships, northwestern Quebec. The newly acquired claims cover a total area of 6.7 sq km and are contiguous with and cover possible extensions of mineralization on the Trojan block, as well as cover extensions of kilometre-scale gold in soil anomalies on the Privat, Freegold, and Carat blocks of the Launay property. Under the terms of the agreement, the Company acquired a 100% interest in the mineral claims by issuing 150,000 common shares to CMH. CMH retains a two percent (2%) Net Smelter Royalty ("NSR"). Lakeside has the option, at any time, to redeem the first one percent (1%) of the NSR for $1,000,000.

On November 8, 2012, the Company issued 750,000 shares; 250,000 shares as part of its Launay property agreement, 250,000 as part of its Dufay property agreement, and 250,000 as part of its Disson property agreement. As part of the amendment to the terms of the property agreement to the Dufay property, the Company also issued 150,000 shares in consideration for the amendments to the property agreements.

On October 22, 2012, the Company and its vendors amended the terms of the agreement relating to the Dufay property whereby the cash payments of $75,000, to be payable on October 19, 2012, and $100,000, to be payable on October 19, 2013, have been amended to the following:

(a) $25,000 payable to the vendors on November 30, 2012
(b) $12,500 payable to the vendors on June 1, 2013
(c) $37,500 payable to the vendors on June 1, 2014
(d) $50,000 payable to the vendors on June 1, 2015
(e) $50,000 payable to the vendors on June 1, 2016

In addition to the 250,000 common shares issuable as originally agreed, the Company will issue to the vendors an additional 150,000 common shares for a total issuance of 400,000 common shares.

The work commitment on the Dufay property has been amended to provide for exploration expenditures of a minimum of $150,000 in the 18 month period commencing October 22, 2012 and $350,000 in the 18 month period commencing April 22, 2014.

On October 22, 2012, the Company and its vendors amended the cash terms of the agreement relating to 36 of 85 claims of the Disson property. The cash payments of $50,000 payable on December 7th, 2012, $60,000 payable on December 7, 2013 and $80,000 payable on December 7, 2014 have been amended to:

(a) $25,000 payable to the vendors on June 1, 2013
(b) $30,000 payable to the vendors on June 1, 2014
(c) $40,000 payable to the vendors on June 1, 2015
(d) $95,000 payable to the vendors on June 1, 2016

All of the common shares issuable remain the same.

On October 22, 2012, the Company and its vendors amended the cash terms of the agreement relating to 28 of 213 claims of the Launay property. The cash payments of $25,000 payable on December 7, 2012 and $30,000 payable on December 7, 2013 have been amended to:

(a) $25,000 payable to the vendors on June 1, 2013
(b) $30,000 payable to the vendors on June 1, 2014

All of the common shares issuable remain the same.

On September 7, 2012 the Company announced the consolidation of a large land package adjacent to the Launay property located in Launay, Privat, and Manneville Townships, northwestern Quebec. The consolidation doubled the size of the Launay property land package to two hundred and twelve (212) mineral claims covering 95.8 sq km. This followed the cumulative staking of a total of ninety-two (92) claims covering 45.3 sq km, 100% owned by the Company. In addition, the Company entered into an agreement with privately owned Jack Stoch Geoconsultant Services Ltd. (JSGS) to acquire eleven (11) mineral claims covering 4.5 sq km, also known as the Freegold property (Freegold block). Under the terms of the agreement, the Company acquired a 100% interest in the Freegold block by issuing 600,000 common shares to JSGS. JSGS retains a two percent (2%) Gross Metal Royalty ("GMR") and the Company has the option of first refusal to buy back a one percent (1%) GMR.

On June 17, 2012, Lakeside Minerals Corp. entered into an agreement with Les Explorations Carat Inc. ("Carat") to acquire thirty-five (35) mineral claims next to the Company's Launay property located east and west of the Labreteche block and adjacent to the Rochette block. Under the terms of the agreement, Lakeside can acquire a 100% interest in the mineral claims by issuing 200,000 common shares (issued) and making a total payment of $10,000 over a one year period: $5,000 within

6 months of the execution of the agreement (paid) and $5,000 within 12 months of execution of the agreement. Carat retains a two percent (2%) NSR. The Company has the option, at any time, to redeem the first one percent (1%) of the NSR for $1,000,000.

On April 30, 2012, the Company announced that Lakeside Minerals Corp., a wholly-owned subsidiary of the Company, had entered into an agreement with Melkior Resources Inc. (TSX-V: MKR) ("Melkior") to acquire twenty-one (21) mineral claims adjacent to Lakeside's Launay property claim blocks located in Privat and Launay Townships, northwestern Quebec. Lakeside acquired a 100% interest in the mineral claims by issuing 750,000 common shares to Melkior and recognizing the continuance of third party net smelter royalties on the mineral claims.

About Lakeside Minerals Inc.

Lakeside Minerals Inc. is engaged, through Lakeside Minerals Corp., a wholly-owned subsidiary of the Company, in acquiring, exploring, and developing mineral properties in the mining friendly jurisdiction of Quebec. Currently the Company holds a portfolio of properties with an emphasis on gold.

These properties have been grouped as follows:

1. Dufay: Au, Cu
2. Disson: Au
3. Launay: Au

Lakeside is currently focused on three key properties: Dufay, Disson, and Launay. These properties are briefly described below. Quoted historical exploration results are derived from filed assessment reports and governmental databases. The Company or a Qualified Person has not independently verified these results. These results should not be relied upon. Selected highlight results may not be indicative of average grades. Mineralization on properties adjacent to the Company's properties is not indicative of mineralization on the Company's properties.

Dufay Property - Located 30 km west-southwest of Rouyn-Noranda, northwestern Quebec, the property covers 27.45 sq km and consists of 53 contiguous claims under option agreement to 100% interest. The property is situated 4 km south of the prolific Larder Lake – Cadillac Fault, 5 km east of the historic Kerr-Addison gold mine, and 10 km southwest of the recently closed Francoeur Mine, formerly operated by Richmont Mines Inc. The Dufay property is easily accessible via Highway 117.

Most of the historical exploration work on the Dufay property, including about 6100 m of drilling, dates from 1929 to 1946 and was carried out over a very limited area, close to 1.5 sq km. Much of the remaining 26 sq km of the property remains virtually unexplored.

Sulphides, mainly chalcopyrite and pyrite, occur in quartz-sulphide veins and associated stringers and stockwork. Locally, these veins are essentially massive chalcopyrite and pyrite. Disseminated sulphides, principally chalcopyrite or pyrite, occur in metasediments, in "granitic gneiss", in intrusive "granitic" units, and in shear zones. This type of mineralization is mainly reported from drill core and was largely overlooked. The extent or importance of this disseminated mineralization has not been the focus of previous exploration and remains to be systematically assessed: it has not been delineated or mapped, and has not been adequately tested for its gold or copper potential.

Known mineralization is associated with northeast-trending zones of quartz veining, brecciation, and shearing that are spread out over a width of at least 250 m. Based on geophysical maps, this zone may have a strike length over 3 km long, most of which remains to be explored.

The property was originally drilled for copper in quartz-sulphide veins and much of the drill core was not assayed for gold. Available historical drill gold and copper assay highlights includes the following results:

- **8.82 g/t Au** over 2.2 m (true width), *which includes*
  - ***20.91 g/t Au*** *over 0.67 m, and includes*
  - ***10.29 g/t Au*** *over 0.55 m.*
- **16.00 % Cu** over 0.9 m (true width)
- **2.34 % Cu** over 2.3 m (true width)

Lakeside commissioned a NI 43-101 Technical Report on the Dufay property. The report recommended a Phase 1 exploration program in the order of $513,375 CAD. In 2011, the Company completed an airborne survey over the property as recommended in the technical report.

From January to August 2012, the work program on the property included line-cutting, outcrop stripping, mapping and prospecting; an orientation humus geochemical survey; and, ground geophysical surveys: magnetic, VLF-EM, and Induced Polarization/Resistivity.

On January 30th, 2013, in order to concentrate on the advancement of its flagship Launay property, the Company terminated the option agreement on the Dufay property.

Disson Property - Located 22 km northeast of La Sarre, northwestern Quebec, the Disson property consists of 85 non-contiguous claims that cover a total area of 38.93 sq km. Of the 85 claims, 36 claims, 11.18 sq km, are under option agreement to 100% interest and 49 claims, 27.74 sq km, are 100% owned by the Company. The property is easily accessed via secondary gravel roads off Highway 111.

The Disson property straddles nearly 13 km of a major east-west deformation zone. Historical work and drilling along the eastern 3 km stretch of the deformation zone revealed a strong alteration halo some 75 m to 180 m wide and with a minimum strike length of 2.1 km. Alteration consists of dolomite + ankerite +/- fuchsite +/- pyrite. Gold occurs primarily as free gold and is locally visible in drill core.

Shallow historical drilling revealed both narrow high grade and wider lower grade gold intercepts over a strike length of at least 1.5 km. Drill highlights include:

- **44.27 g/t Au** over 4.0 m, *which includes* ***173.9*** *g/t Au over 1.0 m*
- **7.48 g/t Au** over 1.3 m
- **5.18 g/t Au** over 1.5 m
- **5.10 g/t Au** over 1.5 m
- **0.72 g/t Au** over 20.0 m

The 1.5 km long east-west zone of gold mineralization remains open at depth. Parallel east-west fault zones have not been tested. In addition, the western extension of the deformation zone remains largely unexplored.

Launay Property – The property is located some 48 km northeast of Rouyn-Noranda, in Launay, Privat, and Manneville Townships, northwestern Quebec. Through staking, option and purchase agreements, the Company consolidated a large land package over the prospective Macamic deformation zone, a major deformation zone in the Abitibi subprovince (Figure 1). The Launay property currently comprises 229 non-contiguous claims that cover a total area of 102.9 sq km:

- 118 claims, 55.0 sq km, were staked and are 100% owned by the Company.

- 29 claims, 11.7 sq km, are under option agreement to the Company to 100% interest, subject to property payments, work commitments and subject to a 2% NSR with buyback of 1% NSR for $1,000,000.

- 21 claims, 8.7 sq km, are 100% owned by the Company; these claims were purchased from Melkior Resources Inc. for company shares: 15 of these claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000; the other 6 claims are subject to a 1% NSR with total buyback for $500,000.

- 35 claims, 16.0 sq km, are 100% owned by the Company; these claims were purchased from Les Explorations Carat Inc. for cash payments and company shares; claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000.

- 11 claims, 4.5 sq km, are 100% owned by the Company; claims were purchased from Jack Stoch Geoconsultant Services Ltd. for company shares, subject to a two percent (2%) GMR; the Company has the option of first refusal to buy back a one percent (1%) GMR.

- 15 claims, 6.7 sq km, are 100% owned by the Company; these claims were purchased from 9219-8845 Québec inc. for company shares; claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000.

The Launay property claims now straddle a 22 km strike length of the prospective Macamic deformation zone (MDZ), associated splays, or subsidiary faults and include a corridor up to 5 km wide surrounding the MDZ (Figure 1).

Past exploration, including trenching, drilling and underground work in the vicinity of the MDZ and Launay property claim blocks has revealed several gold occurrences (Figure 1). Known gold occurrences on Launay property claims are scattered over a trend some 17 km long and are closely associated with the MDZ, subsidiary faults, or splays. Mineralization in these gold occurrences are typical of shear zone-related type mineralization.

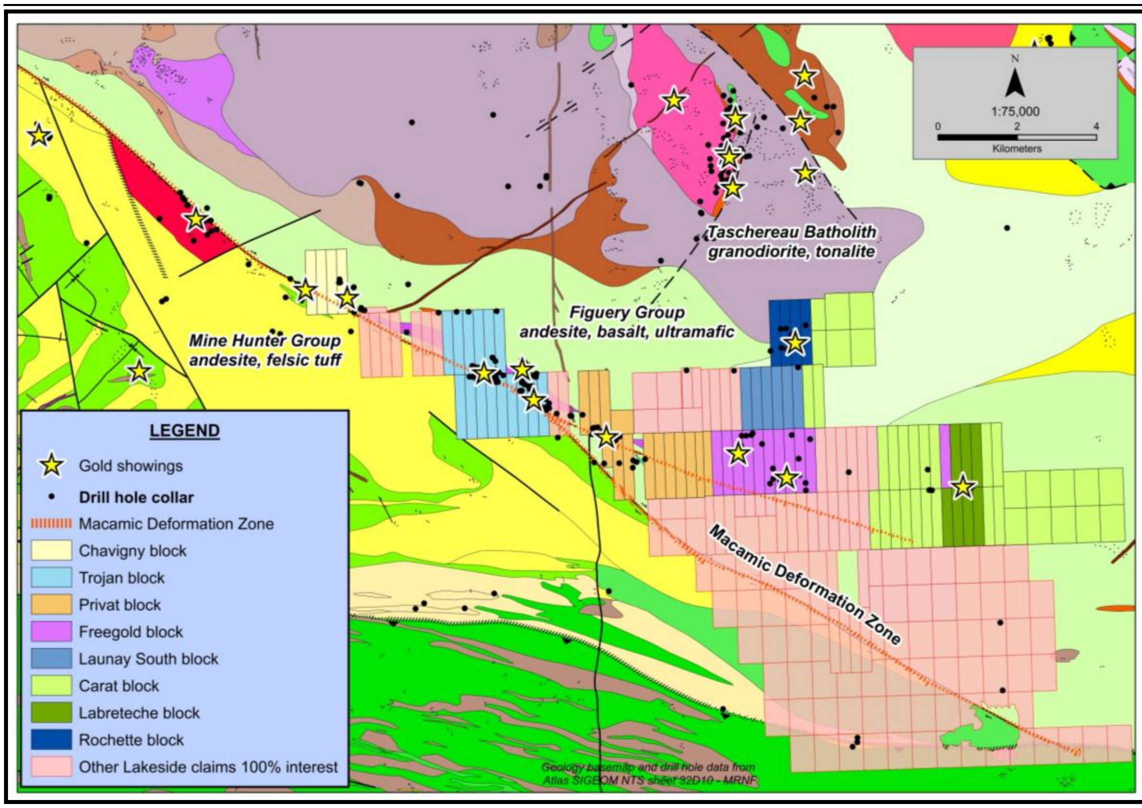

Figure 1: Simplified geological map of the area surrounding the Launay property. Shown are the Launay property claims: indicated claim blocks are Chavigny, Trojan, Privat, Freegold , Labreteche, and Rochette. Also shown are locations of known gold showings, collar locations of historical drill holes and approximate location of the Macamic Deformation Zone (MDZ). (Source: map from MRNF E-Sigeom Atlas; NTS map sheet 32D10; NAD83 UTM 17N)

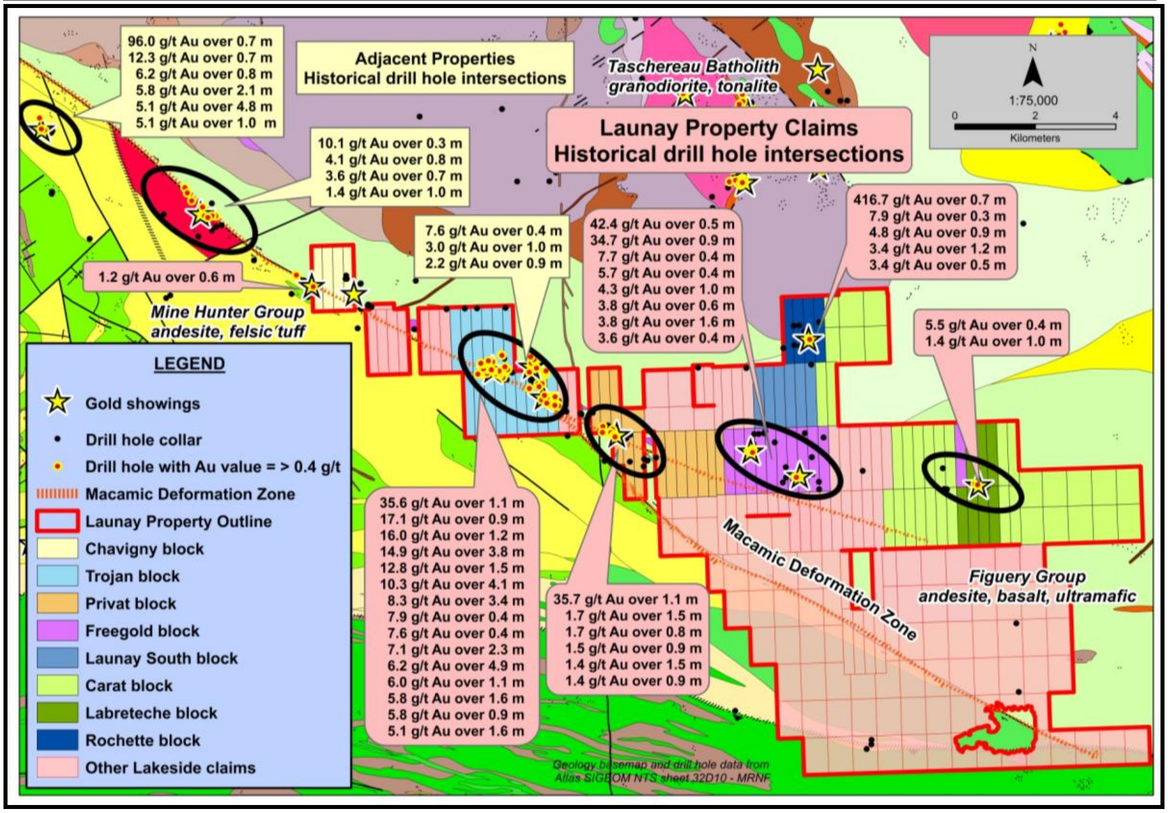

Figure 2: Selected historical drill gold assay highlights on Launay property claims, highlights shown in red, and on adjacent properties, highlights shown in white.

Gold typically occurs associated with disseminated pyrite or as native gold in quartz +/- carbonate +/- tourmaline veins, in highly altered carbonate - sericite - chlorite +/- fuchsite schists, and in "aplite" dykes. Host rocks are commonly sheared intermediate to mafic volcanic and locally ultramafic rocks. Ankerite, calcite, and quartz alteration and veining is locally extensive within wide zones of shearing. The location and extent of these shear zones remains poorly defined due to limited exploration.

Historical drilling of these scattered gold showings has returned several high grade gold drill intersections. Historical drill highlights from several Launay property blocks are presented in **Figure 2** and **Table 1**.

Table 1: Selected historical drill hole gold assay highlights on Launay property claims.

Year	Launay Block	Type	ID	From (m)	To (m)	Interval (m)[1]	Au g/t[2]
1936	Rochette	DDH	Hole 2	38.50	39.20	0.70	**416.67**
1945	Trojan	DDH	Hole 5	38.88	38.97	0.09	**10.97**
1945				55.68	55.85	0.18	**40.80**
1945	Trojan	DDH	Hole 2	53.34	54.41	1.07	**35.64**
			includes	*53.74*	*53.89*	*0.15*	*235.20*
1945	Trojan	DDH	Hole 4	22.86	26.67	3.81	**14.95**
			includes	*23.62*	*24.38*	*0.76*	*41.49*
			includes	*25.15*	*25.91*	*0.76*	*29.49*
1945	Trojan	DDH	Hole 6	53.52	53.61	0.09	**47.66**
				54.13	54.44	0.30	**16.11**
1945	Trojan	DDH	Hole 7	65.20	65.26	0.06	**14.06**
1945	Trojan	DDH	Hole 20	76.96	79.25	2.29	**7.09**
			includes	*77.72*	*78.49*	*0.76*	*17.14*
1984	Trojan	DDH	PO-84-3	66.14	67.00	0.85	**17.05**
1987	Trojan	DDH	PI-87-23	290.80	292.00	1.20	**16.04**
1986	Trojan	DDH	PL-85-06	363.32	364.85	1.52	**12.82**
1950	Privat	DDH	Hole 1	89.31	93.42	4.11	**10.29**
			includes	*92.35*	*93.42*	*1.07*	*35.66*
2008	Freegold	DDH	FG-08-03	40.30	40.80	0.50	**42.41**
1949	Freegold	DDH	3			0.98	**34.70**
2008	Freegold	DDH	FG-08-01	23.82	24.30	0.48	**7.68**
1949	Freegold	DDH	7			0.46	**5.65**
1985	Labreteche	DDH	LR-85-2	25.85	26.24	0.40	**5.49**
1948	Chavigny	DDH	Hole 6	10.36	10.52	0.15	**5.19**
1 - Drill interval ; 2 - May include sludge assays							
2 - Au g/t grades are approximate and were calculated based on $35 per ounce or average historical gold prices; Au oz/ton to g/tonne x 34.2857							
Historical results were compiled from the SIGEOM database of the MRNF, Quebec. These results have not been independently verified by a QP.							

In addition to drill hole assay results, historical grab, channel, and bulk sample results are presented below in **Table 2** below.

Table 2: Selected historical grab, channel and bulk sample gold assay highlights on Launay property claims.

Year	Launay Block	Type	ID	Interval (m)	Description	Au g/t[1]
1935	Rochette	Bulk			avg. grade: 23 ton sample	**11.90**
1935	Rochette	Bulk			avg. grade: 1000 lbs sample	**10.63**
1935	Rochette	Grab			avg. grade: 16 lbs sample	**18.17**
1936	Rochette	Channel		0.41		**31.89**
1936	Rochette	Channel		0.10 m to 0.78 m	avg. grade: 18 channel samples taken along the ore shoot 34 m long	**33.86**
1936	Rochette	Grab			ore shoot (quartz vein)	**2351.02**
1936	Rochette	Grab			ore shoot (quartz vein)	**102.86**
1936	Rochette	Grab			ore shoot (quartz vein)	**68.57**
1949	Privat	Channel	Trench 3	0.61	quartz vein	**99.64**
1949	Privat	Channel	Trench 3	1.22	quartz vein	**88.82**
1949	Privat	Channel	Trench 3	1.52	schist with quartz stringers	**77.36**
1949	Privat	Channel	Trench 3	0.91	quartz vein	**20.29**
1949	Privat	Grab			schist with quartz stringers	**33.97**
1985	Privat	Channel		0.98		**64.80**
1920's	Labreteche	Grab	Shaft area			**273.50**
1920's	Labreteche	Grab	Shaft area			**185.93**
1920's	Labreteche	Grab	Shaft area			**130.29**
1937	Labreteche	Channel		0.98		**64.80**
1920's	Labreteche	Grab	Shaft area			**66.22**
1920's	Labreteche	Grab	Shaft area			6.66
1937	Labreteche	Grab	Trench 5			**23.46**
1937	Labreteche	Grab	Vein 4			6.90
1937	Labreteche	Grab	Vein 7			6.80
1937	Labreteche	Channel	Trench 2	6.10		1.79

1 - Au g/t grades are approximate and were calculated based on $35 per ounce or average historical gold prices; Au oz/ton to g/tonne x 34.2857

Historical results were compiled from the SIGEOM database of the MRNF, Quebec. These results have not been independently verified by a QP.

In the summer and fall of 2012, the Company conducted an exploration program on the Trojan block consisting of line cutting, geological mapping, a humus geochemical survey, and ground geophysical surveys: magnetic, VLF-EM, and Induced Polarization/Resistivity. As a follow-up, the Company carried out a drill program on the Trojan block.

Launay Property – Trojan Block Drill Results

In late October to December 2012, Lakeside conducted a thirteen hole, 3981 m, drill program on the Trojan block, Launay property. Gold assay results from the first seven drill holes, LKTR-001 to LKTR-007, are summarized in **Table 3** below.

Table 3: Gold assay result highlights from drill holes LKTR-001 to LKTR-007. "Anomalous" indicates drill intervals with weighted average results greater than 0.10 g/t Au (100 ppb) to greater than 1.0 g/t Au. Drill intervals (core length) greater than 10 m and gold results greater than 1.0 g/t Au are indicated in bold. *(Note: "anomalous" may include intervals with less than 0.10 g/t Au)*

Hole ID		From (m)	To (m)	Interval (m)*	Au g/t
LKTR-001	anomalous	78.00	123.00	**45.00**	0.16
	includes	*81.00*	*84.95*	*3.95*	*0.54*
	includes	*89.00*	*90.50*	*1.50*	*0.55*
	includes	*116.30*	*119.00*	*2.70*	*0.58*
LKTR-002	anomalous	39.00	48.90	9.90	0.51
	includes	*43.50*	*45.00*	*1.50*	***1.04***
	includes	*47.40*	*48.90*	*1.50*	***1.65***
LKTR-002	anomalous	64.50	72.00	7.50	0.14
LKTR-002	anomalous	96.00	115.50	**19.50**	0.16
LKTR-002	anomalous	156.00	165.10	9.10	0.10
LKTR-003	anomalous	72.00	99.00	**27.00**	0.10
LKTR-003	anomalous	115.50	126.70	**11.20**	0.29
	includes	*121.50*	*123.00*	*1.50*	***1.47***
LKTR-003	anomalous	138.00	174.00	**36.00**	0.12
LKTR-004		90.00	91.50	1.50	**1.32**
LKTR-004	anomalous	102.00	120.00	**18.00**	**1.65**
	includes	*104.90*	*106.50*	*1.60*	***4.82***
	includes	*111.00*	*112.50*	*1.50*	***1.30***
	includes	*112.50*	*114.00*	*1.50*	***7.08***
	includes	*114.00*	*115.50*	*1.50*	***2.51***
	includes	*115.50*	*117.00*	*1.50*	***2.15***
LKTR-004		135.00	136.50	1.50	**2.52**
LKTR-004	anomalous	160.50	216.00	**55.50**	0.18
LKTR-005		145.50	210.00	**64.50**	**1.23**
	includes	*163.50*	*166.50*	*3.00*	***10.31***
	which includes	*163.50*	*165.00*	*1.50*	***17.90***
	which includes	*165.00*	*166.50*	*1.50*	***2.72***
	includes	*199.50*	*201.00*	*1.50*	***29.00***
LKTR-006		117.20	122.70	5.50	**1.24**
	includes	*117.20*	*117.90*	*0.70*	***1.31***
	includes	*117.90*	*118.80*	*0.90*	***3.92***
	includes	*121.50*	*122.70*	*1.20*	***1.06***
LKTR-006		159.00	159.50	0.50	**1.44**
LKTR-006	anomalous	175.50	201.00	**25.50**	0.25
	includes	*184.50*	*186.00*	*1.50*	***2.41***
LKTR-006	anomalous	220.50	225.00	4.50	0.81
	includes	*220.50*	*222.00*	*1.50*	***1.96***
LKTR-007		82.20	83.30	1.10	**1.10**
LKTR-007	anomalous	129.00	133.00	4.00	0.49
	includes	*129.70*	*130.30*	*0.60*	***1.04***
LKTR-007	anomalous	184.00	216.00	**32.00**	0.14

** Core length   Note: hole inclination -45 degrees*

The drill program was a follow-up to summer and early fall 2012 work carried out on the Trojan block (www.lakesideminerals.com: see Oct. 17, 2012 press release). The purpose of the drill program was to test the Trojan zone, a series of northwest trending, steeply southwest-dipping to subvertical auriferous zones associated with the Macamic deformation zone.

Historical drilling on the Trojan zone has revealed visible gold in core in several drill holes and numerous anomalous to high grade gold assays in narrow to metre-scale intervals over a northwest trending zone some 120 m wide and at least 600 m long.

Current and historical drilling indicates gold mineralization occurs as free gold or is associated with minor pyrite, typically less than 5%, in zones of quartz, quartz-tourmaline, calcite, and ankerite veinlets in altered carbonate-sericite-chlorite schists, in intermediate volcanic rocks, and in aplite dykes. Locally, altered units are fuchsite-rich. Gold mineralization appears to show a close association with aplite dykes, with fuchsite alteration, and with higher pyrite content.

Drill holes LKTR-001 to LKTR-007 tested a 250 m strike length of the Trojan zone. In the current drill program, contrary to historical drilling, the core was sampled along the entire length of each hole. Drill results indicate significant high grade gold intersections within much wider anomalous to lower grade zones. Best high grade results are from drill holes LKTR-004 and LKTR-005:

LKTR-005 - 29.00 g/t Au over 1.5 m; 10.31 g/t Au over 3.0 m, *includes 17.90 g/t Au over 1.5 m*

LKTR-004 - 4.82 g/t Au over 1.6 m; 3.26 g/t Au over 6.0 m, *includes 7.08 g/t Au over 1.5 m*

Anomalous to lower grade intersections have composite average values greater than 0.10 g/t Au (100 ppb) to greater than 1.00 g/t Au over drill intervals from several metres to tens of metres wide. Anomalous intersection highlights include:

LKTR-004 - 1.65 g/t Au over 18.0 m

LKTR-005 - 1.23 g/t Au over 64.5 m

LKTR-003 - 0.29 g/t Au over 11.2 m

LKTR-006 - 0.25 g/t Au over 25.5 m

Initial interpretation of the current drill results in combination with historical drill results indicates at least three separate, subparallel, higher grade zones: that is, the zone in hole LKTR-004 and the two zones in hole LKTR-005. These zones are along strike and correlate well with peak values from nearby historical drill results.

Interpretation of current and historical drilling, geophysical IP and magnetic surveys, as well as current and historical humus sampling, suggests the following potential for the Trojan block:

- the auriferous zones of the Trojan zone can be traced for at least 600 m and may extend an additional 1500 m to the southeast
- additional clusters of known auriferous zones are located 300 m and 500 m northeast of the Trojan zone
- multiple subparallel, northwest trending, IP anomalies, several with coincident soil gold anomalies, cross the property and remain to be adequately tested by drilling.

Launay Property – Geological Potential

The Launay property exhibits extensive km-scale, prospective ground for gold exploration with high potential for discovery **(Figure 3)**, including:

22 km of prospective deformation zone

- much of the southeastern portion of the Macamic deformation zone remains unexplored: untested by soil surveys or drilling

17 km trend of known gold showings

- several known gold showings are located along or in proximity to the Macamic deformation zone and are closely associated with zones of mafic volcanic units and ultramafic flows (high magnetic anomalies): only the Trojan zone has been tested extensively by drilling
- showings display significant historical gold results near surface; however, along strike and depth potential remains to be tested
- much of the historical drilling did not target Au soil anomalies or geophysical anomalies
- significant strike length between showings not tested by soil surveys or drilling

6 km of gold soil anomalies

- extensive km scale gold in soil anomalies, from historical surveys, associated with zones of prospective mafic volcanic units and ultramafic flows (high magnetic anomalies) remain untested by drilling

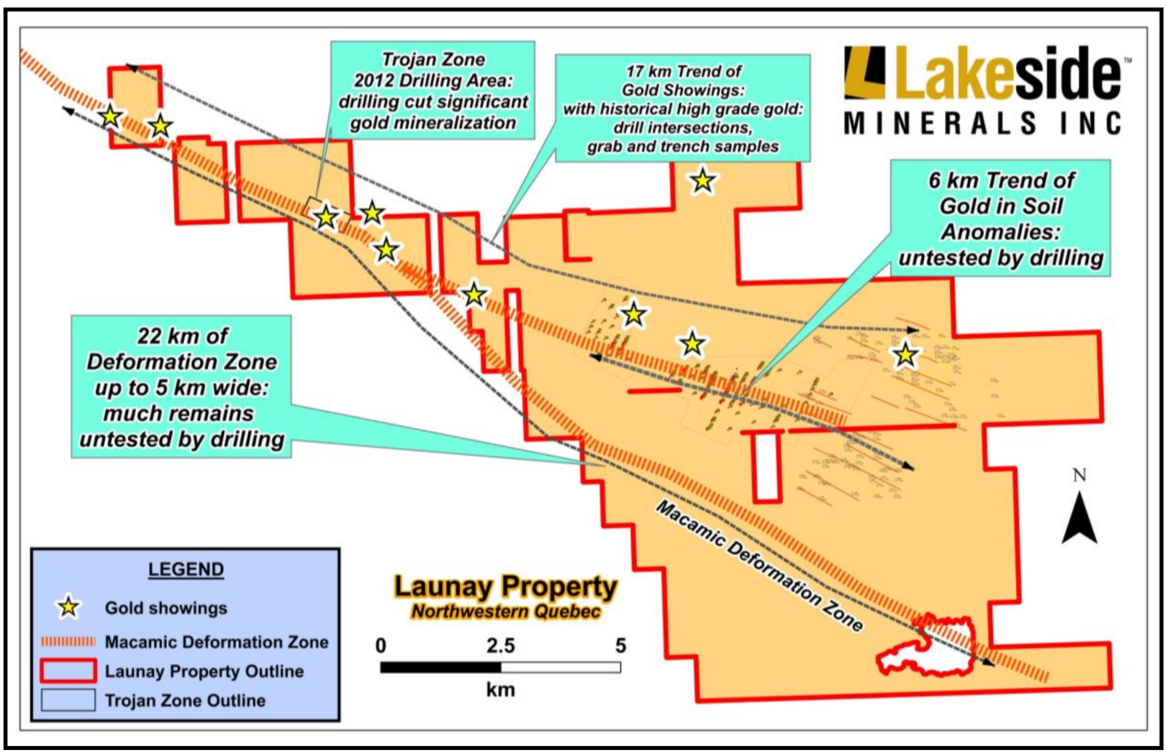

Figure 3: Property wide km-scale gold potential of the Launay property.

Other Properties – The Company holds or held other properties in Quebec, namely Kipawa, 21M16 and New Claims. Changes to the status of these properties are as follows:

Kipawa Property **-** The property is located 38 km east of the town of Témiscaming, northwestern Quebec, some 170 km south of city of Rouyn-Noranda. The property comprises 27 contiguous claims in one irregularly shaped block covering a total of 15.92 sq km. The property is under option agreement to acquire a 100% interest. As of December 2012, 27 claims remain active with expiry dates in January and February 2014.

The region surrounding and generally north of the Kipawa property has seen extensive geological mapping, geochemical and geophysical surveys. Several REE, Au and U mineral showings have been discovered including the discovery of the Kipawa REE-Y deposit, Zeus property, by Matamec Explorations Inc. located some 5.8 km northeast of Lakeside's Kipawa property.

The Kipawa property claims have seen limited exploration. However, a governmental regional stream sediment geochemical sampling program revealed several samples with anomalous values in Y, Au, Ce, Eu, Sm, Th and U located on the Kipawa property claims and immediately north of the claims.

During the months of April through to November of 2011, an airborne geophysical survey and data compilation was carried out by Lakeside on the Kipawa property claims. Sufficient work has been carried out to maintain the claims in good standing through to January and February 2014. No additional work program is currently planned for the Kipawa property.

21M16 Property **-** As of September 2011, Management elected not to renew the 21M16 claims. The majority of these claims expired in November 2011 and the remaining claims expired in April 2012.

New Claims Property **-** On March 31, 2011, the Company terminated the Uranium 22B15 property agreement and forfeited its option to acquire the claims. The Company received from the vendor, for consideration of $1.00, forty-four (44) claims here referred to as the "New Claims" property.

The New Claims property is located south of Rouyn-Noranda, Quebec. These non-contiguous claims originally covered a total area of some 25 sq km. These claims are situated south of the prolific Larder Lake - Cadillac Fault, within rocks of the Pontiac subprovince, and are distributed in three main blocks: Lac Evain, Kinojevis, and 391.

As of December 2011, Management elected not to renew these claims. On the Lac Evain block, the remaining claims expired in December 2012; on the Kinojevis block all the claims expired in November 2012; and, on the 391 block, all the claims expired in February of 2012.

Quevillon Property **-** As of June 2012, Management elected to terminate the Quevillon property agreement.

Overall Performance

As at January 31, 2013, the Company had assets of $282,114 (January 31, 2012 - $1,454,212), liabilities of $803,872 (January 31, 2012 - $701,767) and shareholders' deficiency of $(521,758) (January 31, 2012 - $752,445 equity). During the year ended January 31, 2013, the Company incurred a loss of $1,682,735.
At January 31, 2013, the Company had a working capital deficiency of $521,758 and cash of $18,026.

The Company is a junior mineral exploration company that has assembled an experienced management team to engage in the acquisition, exploration and development of properties prospective for economic deposits. The Company's financial success will depend on the extent to which it can make discoveries of minerals on its staked or optioned properties and on the economic viability of such discoveries. The development of such properties may take years to complete and the resulting income, if any, is difficult to determine with any certainty. The Company lacks mineral resources and mineral reserves and to date has not produced any revenues. The economic viability of any mineral discovery by the Company will be largely dependent upon factors beyond its control, such as the market value of the commodities produced. Although economic conditions in Canada have improved since the beginning of 2009, the Company remains cautious in case the economic factors that impact the mining industry deteriorate. These factors include uncertainty regarding the prices of commodities, and the availability of equity financing for the purposes of mineral exploration and development. The prices of commodities have been volatile in recent periods and financial markets have deteriorated to the point where it has become extremely difficult for companies, particularly junior exploration companies, to raise new capital, even though there are signs the situation may be improving. The Company's future performance is largely tied to the development of its mining claims properties and the overall financial markets. Financial markets are likely to continue to be volatile over the balance of calendar 2013, reflecting ongoing concerns about the global economy. Companies worldwide have been affected negatively by these trends. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting the interests of its current shareholders. With continued market volatility expected, the Company's current strategy is to continue its exploration program on the mining claims and to seek out other prospective business opportunities. The Company believes that this focused strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining momentum on key initiatives. These trends may limit the Company's ability to develop and/or further explore its mineral property interests and/or other property interests that it may acquire. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates into both short-term operating and longer-term strategic decisions.

Selected Annual Information

Summarized selected financial information with respect to Lakeside is as follows:

		Year ended January 31, 2013		Year ended January 31, 2012		Year ended January 31, 2011
Total expenses	$	2,018,710	$	2,228,405	$	400,771
Other income		335,975		64,770		-
Net (Loss)		(1,682,735)		(2,163,635)		(400,771)
(Loss) per share		(0.054)		(0.136)		(0.225)
Total assets		282,114		1,454,212		311,082
Total liabilities		803,872		701,767		46,709
Shareholders' equity (deficiency)	$	(521,758)	$	752,445	$	264,373

Three month period ended January 31, 2013 compared to 2012

The Company incurred a net loss of $533,751 or 0.020 per common share for the three month period ended January 31, 2013, compared with a net loss of $1,067,254 or $0.049 per common share for the same period ended January 31, 2012.

Management, consulting fees and salaries totaled $77,676 during the three months ended January 31, 2013, and primarily consisted of services provided by FOI for strategic leadership, Cavalry for financial accounting, including CFO services and the President and CEO of the Company. Management and consulting fees totaled $94,111 for the three months ended January 31, 2012, for the services provided by FOI, Cavalry, and VP of Exploration. The decrease is due to updated consulting agreements where fees were renegotiated to lower monthly fees.

Professional fees, consisting of legal and accounting fees, totaled $5,638 during the three months ended January 31, 2013, ($199,124 – 2012). The decrease in professional fees is due to costs incurred in relation to the going public transaction during the three month period ended January 31, 2012 whereas these cost were not incurred in 2013.

The Company incurred $37,566 ($68,433 - 2012) in office and general expenses during the three months ended January 31, 2013, which consisted of primarily transfer agent fee's, insurance, travel and entertainment, rent and other miscellaneous costs. The decrease is due to the Company monitoring its expenses more closely and reducing costs wherever possible due to its current financial situation.

The Company incurred share based payments for the three months ended January 31, 2013, of $369 in relation to the vesting of options issued March 23, 2011, ($28,453 – 2012). Share based payments are booked based on the valuation of options using the Black-Scholes model.

Total exploration and evaluation costs in the three months ended January 31, 2013 was $482,687 ($196,603 – 2012). The evaluation and exploration expenditures for the Company for the three months ended January 31, 2013 and 2012 were as follows:

Property:	**January 31, 2013**	**January 31, 2012**
Dufay	$ -	$ 12,196
Disson	-	80,293
Launay	482,687	75,456
Kipawa	-	11,158
Quevillon	-	17,500
Others	-	-
	$ 482,687	$ 196,603

A total of $185 interest was earned for the three months ended January 31, 2013 (2012 – $770) which represents amounts earned on short-term investments and accrued interest on government receivables.

Year ended January 31, 2013 compared to 2012

The Company incurred a net loss of $1,682,735 or 0.054 per common share for the year ended January 31, 2013, compared with a net loss of $2,163,635 or $0.136 per common share for the same period ended January 31, 2012.

Management, consulting fees and salaries totaled $314,376 during the year ended January 31, 2013, and primarily consisted of services provided by FOI for strategic leadership, Cavalry for financial accounting, including CFO services and the President and CEO of the Company. Management and consulting fees totaled $379,579 for the year ended January 31, 2012, for the services provided by FOI, Cavalry, VP of exploration and $26,000 in relation to a recruitment firm which explains the main reason for the decrease in expenses between the two periods. Management, consulting fees and salaries were higher in 2012 also due to extra costs for the transition to IFRS and costs related to the going public transaction.

Professional fees, consisting of legal and accounting fees, totaled $65,443 during the year ended January 31, 2013, ($455,540 – 2012). The decrease in professional fees is due to the cost of the going public transaction during the year ended January 31, 2012 whereas these cost were not incurred in 2013.

The Company incurred $160,765 ($135,070 -2012) in office and general expenses during the year ended January 31, 2013, which consisted of primarily transfer agent fee's, insurance, travel and entertainment, rent and other miscellaneous costs. These costs increased significantly in the current year due to the fact that the Company was private during parts of 2011 and 2012 and thus did not incur many fees that increased in the current year including marketing and listed company costs among others.

The Company incurred share based payments for the year ended January 31, 2013, of $6,387 in relation to the vesting of options issued March 23, 2011 and options issued on October 1, 2012, ($72,497 – 2012). Share based payments are booked based on the valuation of options using the Black-Scholes model.

Total exploration and evaluation costs in the year ended January 31, 2013 was $1,471,739 ($640,419 – 2012). The evaluation and exploration expenditures for the Company for the year ended January 31, 2013 and 2012 were as follows:

Property:		**January 31, 2013**		**January 31, 2012**
Dufay	$	305,069	$	338,964
Disson		73,165		108,692
Launay		1,093,023		98,932
Kipawa		482		36,103
Quevillon		-		22,500
Others		-		35,228
	$	1,471,739	$	640,419

A total of $5,675 interest was earned for the year ended January 31, 2013 ($770 – 2012) which represents amounts earned on short-term investments and accrued interest on government receivables.

The Company financed its exploration activities through the issuance of flow-through shares, which transfer the tax deductibility of exploration expenditures to the investors. Proceeds received on the issuance of such shares have been credited to share capital less the premium paid for the sale of tax deductions. To the extent that the Company issued common shares to subscribers on a flow-through basis at a premium to the market value of non-flow-through common shares, any such premium was recorded as a liability on the Company's statement of financial position at the time of subscription. This liability was reduced when renunciation occurred, associated with such flow-through share issuances, with a $260,300 ($nil -2012) premium recognized as income.

Management expects the level of losses to increase in future periods as development and exploration activities ramp.

Summary of Quarterly Results

		Net (loss)	(Loss) per share
Q4	**2013**	(533,751)	(0.018)
Q3	**2013**	(532,394)	(0.017)
Q2	**2013**	(506,932)	(0.016)
Q1	**2013**	(109,658)	(0.003)
Q4	**2012**	(1,067,254)	(0.049)
Q3	**2012**	(364,206)	(0.023)
Q2	**2012**	(403,337)	(0.028)
Q1	**2012**	(328,838)	(0.029)

Liquidity and Financial Position

As a junior exploration resource company, the Company has no regular cash flow from operations, and the level of operations is principally a function of availability of capital resources. To January 31, 2013, the principal source of funding has been through the completion of private placements for gross proceeds of $2,843,750. Going forward, the Company will have to continue to rely on equity or debt financings for its working capital. There is no guarantee that the Company will be able to successfully complete such financings, as market conditions may dictate availability and interest.

At January 31, 2013, total assets decreased by $1,172,098 since prior fiscal year end to $282,114 consisting of $18,026 of cash, $257,633 of HST receivable and other receivables and $6,455 of prepaid expenses.

Related Party Transactions and Key Management Compensation

The Company and Foundation Opportunities Inc. ("FOI") entered into a financial advisory and consulting agreement on October 15, 2010. FOI is a subsidiary of Foundation Financial Holdings Corp. ("FFHC"). FFHC is an entity in which Adam Szweras is a director and each of Yannis Banks, and Jeremy Goldman, is an officer, director and shareholder. In consideration for services the Company agreed to pay a fee of $7,000 per month for a period of eighteen months that ended April 2012. The Company and FOI entered into a financial advisory and consulting agreement on April 14, 2012 and the Company agreed to pay a fee of $5,000 per month for a period of three months. This agreement was further replaced by an agreement in May 2012 where the Company agreed to pay $5,000 per month for a period of three months after which the contract continues on a month by month basis unless terminated by either party. For the year ended January 31, 2013, the Company paid FOI $64,000 (2012 - $159,000, including a success fee of $75,000 for the completion of a going public transaction). In addition, Foundation Markets Inc. ("FMI") a subsidiary of FFHC received a cash commission payment of $14,816 (2012 - $82,444) and 113,969 broker warrants (2012 – 179,013) valued at $4,884 (2012 - $9,560) for the placement of the Company's common shares, which are included in share capital and reserve for warrants respectively.

The Company and Cavalry Corporate Solutions Ltd ("Cavalry") entered into a management services agreement on November 1, 2010. The management services agreement includes the services of the Company's Chief Financial Officer ("CFO"). Cavalry is an entity in which FFHC is the sole shareholder. In consideration for services the Company agreed to pay $4,000 for the first three month period and $5,000 per month until January 31, 2012. The agreement was amended to $7,500 per month thereafter. For the year ended December 31, 2012, the Company recorded $90,000 (2012 -

$94,500) for management services provided by Cavalry. These services include CFO services.

During the year ended January 31, 2013, Fogler Rubinoff LLP ("Fogler") a law firm in which Adam Szweras an officer of the Company is also a partner, provided $43,149 (2012 - $272,048) of legal services, which are included in professional fees. The Company also issued 384,615 units priced at $0.13 to convert $50,000 worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company entered into a general consultancy agreement with Caracle Creek International Consulting Inc. ("CCIC") in which Scott Jobin-Bevans is a director and a significant, but not controlling, shareholder. Scott Jobin Bevans is a director of the Company. CCIC was engaged to provide a NI 43-101 report and field work on the Dufay mineral property. CCIC provided $5,242 (2012 - $173,893) of consulting services during the year ended January 31, 2013, which was expensed in exploration and evaluation expenditures.

During the year ended January 31, 2013, $140,841 (2012 - $220,168) was paid to the Chief Executive Officer.

Disclosure of outstanding share data as of May 29, 2013

	Authorized	**Outstanding**
Voting or Equity securities issued and outstanding	Unlimited Common Shares	40,798,282 common shares
Securities convertible or exercisable into voting or equity		a) Options to acquire up to 2,650,000 common shares b) 17,463,329 warrants exercisable to acquire common shares of the Company

Off-Balance Sheet Arrangements

As of January 31, 2013, the Company has no off balance sheet arrangements.

Critical Accounting Estimates

Significant accounting policies

Mineral properties

Acquisition and exploration costs, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment ("PPE").

Share based payments

Share based payment transactions

Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

Equity settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. When there is a loss, no potential shares are included in the computation as they are anti-dilutive.

Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with realized gains and losses recognized through earnings. The Company's cash and cash equivalents are classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity are measured at amortized cost.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. At January 31, 2013 the Company has not classified any financial assets as available for sale, loans and receivables or held to maturity.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's line of credit, accounts payable and accrued liabilities are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At January 31, 2013 the Company has not classified any financial liabilities as FVTPL.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and short term deposits.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Flow-through shares

The Company has financed a portion of its exploration activities through the issuance of flow-through shares, which transfer the tax deductibility of exploration expenditures to the investors. Proceeds received on the issuance of such shares have been credited to share capital less the premium paid for the sale of tax deductions. To the extent that the Company issues common shares to subscribers on a flow-through basis at a premium to the market value of non flow-through common shares, any such premium is recorded as a liability on the Company's statement of financial position at the time of subscription. This liability is reduced, on a pro-rata basis, as the Company fulfills its expenditure renunciation obligation, when renunciation occurs, associated with such flow-through share issuances, with the premium recognized as income. The Company takes the initial recognition exemption on deferred taxes as it relates to flow-through shares.

Fair value

The carrying amount of cash and cash equivalents, other receivables, and accounts payables and accrued liabilities approximate fair value due to the relative short maturity of these financial instruments. As at January 31, 2013, all financial instruments measured at fair value are considered level 1, consisting of cash and cash equivalents.

Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and other receivables. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents are held with a reputable Canadian chartered bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and cash equivalents and other receivables is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at January 31, 2013, the Company had a cash and cash equivalents balance of $18,026 (January 31, 2012 - $1,230,116) and current liabilities of $803,872 (January 31, 2012 - $701,767).

Commodity Price Risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. These metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of these metals may be produced in the future, a profitable market will exist for them. As of January 31, 2013, the Company was not a producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

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.

During the year ended January 31, 2013 there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at January 31, 2013 covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Cautionary Note Regarding Forward Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. 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", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Lakeside to fund the capital and operating expenses necessary to achieve the business objectives of Lakeside, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the consolidated financial statements with management. The Board of Directors has approved the consolidated financial statements on the recommendation of the Audit Committee.

May 29, 2013

Mario Justino
Chief Executive Officer