The following discussion and analysis of the operations, results and financial position of Deer Horn Metals Inc. (formerly Golden Odyssey Mining Inc.) (the "Company") for the year ended July 31, 2012 should be read in conjunction with the July 31, 2012 audited year-end financial statements and the notes thereto.

This Management Discussion and Analysis ("MD&A") is dated November 21, 2012 and discloses specified information up to that date. The Company is classified as a "venture issuer" for the purposes of National Instrument 51-102. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") in Canada. Unless otherwise cited, references to dollar amounts are in Canadian dollars.

We recommend that readers consult the "Cautionary Statement" on the last page of this report.

Description of Business

The Company was incorporated under the Canada Business Corporations Act on April 16, 2004 under the name "Golden Odyssey Mining Inc." On January 20, 2011, shareholders of the Company approved a name change and it commenced trading as Deer Horn Metals Inc. on January 27, 2011. The Company's strategy is to identify, acquire, explore and develop precious and base metal deposits amenable to low production costs and high operating margins, focusing on properties with low initial entry costs.

Overall Performance and Outlook

Since the year ended July 31, 2008, the Company underwent a significant change in management and direction. The Company no longer focuses on gold properties in the state of Nevada and, effective July 31, 2008, relinquished all property interests in the state of Nevada and closed its Reno, Nevada-based office. During the fiscal year ended July 31, 2012, the Company dissolved its wholly-owned subsidiary, Golden Odyssey Exploration Inc., a company incorporated in the State of Nevada, United States of America. The Company relocated its head-office to Delta, British Columbia, Canada and focused on opportunities in Canada to acquire interests in precious and base metal properties. The Company entered into an option agreement to acquire an interest in the Deer Horn property, located in British Columbia, Canada, in August 2009. The company continues to seek and evaluate opportunities to participate in similar projects.

Company Activity

During the year ended July 31, 2012, the Company completed a non-brokered private placement of 3,044,000 units for aggregate proceeds of $304,400. Subsequent to the year ended July 31, 2012, the Company completed a non-brokered private placement for aggregate proceeds of $285,000.

The Company also incurred $1,742,872 in exploration expenditures on its exploration and evaluation assets during the year ended July 31, 2012 and recovered $506,761 from the BC Mining Exploration Tax Credit.

Dome South

During the year ended July 31, 2012, the Company elected to terminate its option and wrote-off all acquisition costs relating to the Dome South property.

Deer Horn

In August 2009, the Company entered into an option agreement with a company related by virtue of common directors, to acquire an initial 50% interest in the Deer Horn property, located in north western British Columbia.

To acquire its interest, the Company is required to incur $5,000,000 in exploration expenditures as follows:

1) Incur $400,000 by August 12, 2010 (incurred)

2) Incur an additional $1,100,000 by August 12, 2011 (incurred)

3) Incur an additional $1,500,000 by August 12, 2012 (incurred)

4) Incur an additional $2,000,000 by August 12, 2013 (partially incurred)

After the Company has acquired the initial 50% interest, it may acquire an additional 25% interest by incurring all costs required to bring the property to commercial production.

On April 13, 2011, the Company announced that it had received permitting for planned 2011 and 2012 work programs on the property, including a 10,000 tonne bulk sample in 2012. The focus of the exploration programs would be drilling to increase the existing gold and silver resource calculations from the 2010 technical report on the property, which reported an indicated/inferred resource of 1,970,000 ozs of silver and 63,000 oz of gold, and to produce an initial resource calculation on the tellurium in accordance with NI 43-101.

On July 5, 2011, the Company announced it was mobilizing to the Deer Horn property on July 8, 2011, to commence 3,150 meters of drilling and 2,000 meters of trenching. The Company also announced plans to undertake a high-resolution aeromagnetic and radiometric survey to expose other potential areas of mineralization on the property not previously explored.

As at October 31, 2011, The Company incurred $4,286,965 of the $5,000,000 in exploration expenditures required to earn an initial 50% interest in the property. The Company's 2011 work program included 60 holes totalling 2,500 meters of drilling and 1,000 meters of trenching, including 6 holes totalling 650 meters of drilling and 1,000 meters of trenching focusing on the historical tungsten showing.

The Company encountered mineralization in all 49 holes drilled in the 2011 exploration program and near-surface mineralization was extended to a distance of at least 875 meters and is open in three directions. The Company intends to infill drill as part of its next phase of work on the property in order to potentially add further resources to the existing estimates.

In April 2012, the Company announced that a mineral resource update, prepared in compliance with NI 43-101, showed increased tonnage and significantly higher resources of gold and silver, and an initial resource for tellurium. The estimate, authored by R.A. Lane, P.Geo. and G.H. Giroux, P.Eng., both independent consultants and Qualified Persons as defined by NI 43-101, showed the deposit containing 68,000 ounces of gold, 2.1 million ounces of silver and 66,000 kg of tellurium in the indicated category and 32,000 ounces of gold, 930,000 ounces of silver and 27,000 kg of tellurium in the inferred category. The updated mineral resource estimate is based on historical diamond drill holes completed from 1944 to 1990, 35 drill holes completed by the Company in 2009 and a further 29 drill holes completed in 2011.

In May 2012, the Company announced that it had received initial documents relating to an airborne survey carried out to test the remaining unexplored areas of the property. R.A Lane, P.Geo, the

Company's Qualified Person as defined by NI 49-101, has identified a number of targets that merit advanced interpretation, notably the gold-silver tellurium zone as well as the tungsten zone. The survey has been forwarded to an independent expert for interpretation.

In October 2012, the Company completed a 10-day prospecting program to evaluate several anomalies identified during an assessment of 2011 airborne magnetic and radiometric survey data. The work program resulted in several new discoveries, including a previously-unknown copper zone and an extension of the known near surface high grade Au/Ag/Te vein system.

Future plans include a combination of infill drilling and extending the deposit westward beyond the limits of the 2011 exploration program and to further investigate a number of precious, strategic and base-metal veins discovered throughout the same work program. The objective of the infill drilling and extension of the deposit is to acquire sufficient data to enable the company to prepare a preliminary economic assessment of the Deer Horn Property.

Summary

During the year ended July 31, 2012, the Company completed a diamond drill program on its Deer Horn property, incurring $1,742,872 in expenditures toward its earn-in on its interest in the property. The Company also elected to terminate its option agreement on the Dome South property in order to focus its efforts on Deer Horn. The Company will continue to incur expenditures in order to complete the acquisition of its interest in the Deer Horn property.

Results of Operations

	July 31, 2012	July 31, 2011	July 31, 2010
	$	$	$
Total revenues	-	-	-
Loss for the year	(2,408,334)	(2,046,691)	(2,560,982)
Loss per share	(0.03)	(0.03)	(0.05)
Total assets	601,340	2,688,056	113,239
Total liabilities	66,980	170,093	925,192
Working capital (deficiency)	442,900	2,391,275	(905,958)

General and Administrative Expenses

General and administrative expenses totalled $2,492,128 for the year ended July 31, 2012 compared with $2,068,031 in 2011. The increase of $424,097 is mostly attributable to increased expenses in: exploration expenditures of $450,208, professional fees of $39,866, salaries and management fees of $406,966, foreign exchange loss of $4,488 and property investigation costs of $5,825. The increase in expenses have been offset by a reduction in: amortization of $1,180, investor relations and shareholder information of $66,050, office expenses of $1,096, regulatory and filing fees of $40,365, rent of $585, stock-based compensation of $368,860 and travel of $5,120.

The increase in general and administrative expenses is due mainly to higher exploration expenses recorded due to adverse weather conditions affecting the start date of its 2011 summer exploration program. Increased professional fees were attributable to additional IFRS auditing requirements. Salaries and management fees increased due to additional personnel required to develop and advance the Company's exploration property. Decreasing items offsetting the overall increase in general and administrative expenses are due mainly to a reduction in share-based payments recorded during the year, and to decreased levels of corporate activity due to financing activity and general nominal reduction in overhead and office expenses.

Exploration Expenses

The Company incurred $1,236,111 in net exploration expenses during the year ended July 31, 2012 compared with $785,903 in 2011. The Company's summer work programs did not commence until July 2011, thereby reducing the amount of exploration expenditures incurred prior to year end.

Loss for the Period

Loss for the year ended July 31, 2012 was $2,408,334 compared with a loss of $2,046,691 in 2011, an increase of $361,643. The increase in net loss is mainly attributable to increases to general and administrative expenses, however; items totalling $83,794 reduced the loss for the period. Included in these items were amounts recorded for interest income of $2,513 relating to interest earned on demand deposits and a gain on settlement of debt of $81,281 relating to a write-off of accounts payable in the Company's wholly-owned subsidiary upon dissolution.

Income for the Period

The Company reported a gain on the settlement of debt in the amount of $81,281 (2011 - $36,051) during the year ended July 31, 2012 and interest income of $2,513 (2011-$13,039) during the year ended July 31, 2012.

Three months ended July 31, 2012 compared with the three months ended July 31, 2011.

General and administrative expenses totalled $303,572 for the three months ended July 31, 2012 compared with $864,049 in 2011. The decrease of $560,477 is the result of decreases in amounts recorded for exploration expenses of $715,387, amortization of $188, professional fees of $5,533, rent of $2,075 and travel of $16,901, however; the decreases were offset slightly by increases in amounts recorded for foreign exchange loss of $2,086, investor relations and shareholder information of $63,505, office of $13,930, regulatory and filing fees of $5,362, salaries and management fees of $78,061, share-based payments of $8,436 and property investigation costs of $5,825.

The decrease in general and administrative expenses is due mainly to increased exploration expenditures having been incurred in the fourth quarter of 2011 with minimal costs incurred in the fourth quarter of 2012. Increases in other categories are due to increased levels of corporate activity in preparation for a fall 2012 exploration program, impacting staffing levels, professional fees and other office and overhead expenses.

Exploration Expenses

The Company incurred $25,043 in exploration expenses during the three months' ended July 31, 2012 compared with $740,430 in 2011.

The Company commenced a program during the fourth quarter 2011 whereas the Company did not undertake significant exploration activity during the same quarter in 2012.

Income for the Period

Income for the three months' ended July 31, 2012 was $5,339 compared with a loss of $877,478 in 2011, a decrease of $885,219. The increase in income is mainly attributable to a reduction in exploration activity having occurred in the three months ending July 31, 2012 over the three months ended July 31 2011 as well as a recovery of the BC Mining Exploration Tax Credit of $236,500. The Company recorded items totalling $72,410 during the quarter which further offset the loss. These items included $81,281 relating to a write-off of accounts payable in the Company's wholly-owned subsidiary upon dissolution and a decrease in interest income of $8,871.

Income for the Period

The Company reported no income during the quarter ended July 31, 2012.

Summary of Quarterly Results

Quarter Ended	2012 July 31 Q4 $	2012 April 30 Q3 $	2012 Jan. 31 Q2 $	2011 Oct. 31 Q1 $	2011 July 31 Q4 $	2011 April 30 Q3 $	2011 Jan. 31 Q2 $	2010 Oct. 31 Q1 $
Revenues	5,339	-	-	-	-	-	-	-
G&A Expenses	303,572	384,299	481,627	1,829,197	864,049	721,683	317,497	164,996
Option Benefits	399	-	117,860	12,512	(8,037)	351,294	107,818	48,556
Net Loss								
- **per share**	-	-	-	(0.02)	(0.01)	(0.01)	-	-
- **per share (diluted)**	-	-	-	(0.01)	-	-	-	-
Total Assets	601,340	547,936	803,936	945,189	2,688,056	3,534,870	1,130,350	363,244
Liabilities (Long Term)	-	-	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	-	-	-
Working Capital (Deficiency)	442,900	230,806	514,755	596,829	2,391,275	3,217,717	524,066	(330,048)
Share Capital:								
Authorized	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Outstanding	98,653,166	95,609,166	95,609,166	95,609,166	95,609,166	95,609,166	73,514,166	73,385,787
Warrants	17,104,000	14,060,000	35,655,000	38,201,271	38,201,271	38,892,771	17,797,771	17,872,771
Options	9,075,000	9,075,000	9,200,000	8,370,000	8,370,000	8,057,500	5,737,500	5,532,500

Liquidity

At July 31, 2012 the Company had current assets of $509,880, of which $469,008 was comprised of cash. Current liabilities totalled $66,980 and consisted of trade payables.

Total working capital as at July 31, 2012 was $442,900 The Company also continues to assess funding opportunities to address its ongoing financial obligations and for exploration programs on its property.

Capital Resources

The Company plans to continue its participation in the Deer Horn project discussed above. The Company expects to finance expenditures on these projects through the sale of common shares by way of equity financings, and through the exercise of warrants and stock options.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

Amounts owing to related parties consists of $15,601 (2011 - $Nil).

Exploration expenses of $1,777,581 (2011 - $780,364) were paid or accrued to a company related by virtue of a former (common) director, Scott Gifford.

Related Party Transactions - Key Management Compensation

During the period, $282,500 (2011 - $205,000) was paid or accrued to a company controlled by the President, Tyrone Docherty, for services as director and officer of the Company, $60,000 (2011-$10,000) was paid or accrued to a company controlled by a Director, Tony Fogarassy, for consulting services and $30,000 (2011 - $30,000) was paid or accrued to the CFO, Pamela Saulnier, for services as an officer of the Company.

New standards, amendments and interpretations not yet effective:

A number of new standards, amendments to standards and interpretations are not yet effective as of August 1, 2012 and have not been applied in preparing these condensed consolidated interim financial statements. None of these are expected to have a material effect on the financial statements of the Company.

Consolidation
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 “Consolidation—Special Purpose Entities” and parts of IAS 27 “Consolidated and Separate Financial Statements”.

Joint Arrangements

IFRS 11 “Joint Arrangements”, requires a venturer to classify its interest in a joint arrangement as a joint venture or a joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation, the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, “Interests in Joint Ventures”, and SIC-13, “Jointly Controlled Entities – Non-monetary Contributions by Venturers”. The standard is effective for annual periods beginning on or after January 1, 2013. Entities early adopting this standard must also adopt the other standards included in the ‘suite of five’ standards on consolidation, joint arrangements and disclosures: IFRS 10, “Consolidated Financial Statements”, IFRS 12, “Disclosure of Interests in Other Entities”, IAS 27 (2011), “Separate Financial Statements” and IAS 28 (2011), “Investments in Associates and Joint Ventures”.

Disclosure of Interests in Other Entities

IFRS 12, “Disclosure of Interests in Other Entities”, establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity’s interests in other entities. The standard is effective for annual periods beginning on or after January 1, 2013. Entities early adopting this standard must also adopt the other standards included in the ‘suite of five’ standards on consolidation, joint arrangements and disclosures: IFRS 10, “Consolidated Financial Statements”, IFRS 11, “Joint Arrangements”, IAS 27 (2011), “Separate Financial Statements” and IAS 28 (2011), “Investments in Associates and Joint Ventures”.

Joint Ventures

The IASB issued Exposure Draft 9 – Joint Arrangements (“ED-9”) in September 2007. ED-9 proposed to eliminate the Company’s choice to proportionately consolidate jointly controlled entities and required such entities to be accounted for using the equity method. During the second quarter of 2009, the IASB commenced re-deliberations of ED-9 and now proposes to establish a principles-based approach to the accounting for joint arrangements which focuses on the nature, extent and financial effects of the activities that an entity carries out through joint arrangements and its contractual rights and obligations to assets and liabilities, respectively, of the joint arrangements. The IASB plans on publishing the final standard during the first half of 2011, with an anticipated effective date of January 1, 2013. The Company is currently evaluating the impact that ED-9 and the final standard are expected to have on its consolidated financial statements.

Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Financial instruments

The IASB intends to replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") in its entirety with IFRS 9 – Financial Instruments ("IFRS 9") in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39, and is effective for annual periods beginning on or after January 1, 2013, with earlier adoption permitted. In November 2009 and October 2010, phase 1 of IFRS 9 was issued and amended, respectively, which addressed the classification and measurement of financial assets and financial liabilities. IFRS 9 requires that all financial assets be classified as subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified as subsequently measured at amortized cost except for financial liabilities classified as at FVTPL, financial guarantees and certain other exceptions. The IASB has issued exposure drafts addressing impairment of financial instruments, hedge accounting and the offsetting of financial assets and liabilities, with comments due in 2011. The complete IFRS 9 is anticipated to be issued during 2011. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRS TRANSITION

As stated in Note 2 of the audited annual financial statements, these are the Company's first financial statements prepared in accordance with IFRS. The accounting policies in Note 2 have been applied in preparing the financial statements for the years ended July 31, 2012 and 2011, and the opening IFRS statement of financial position on August 1, 2010, the "Transition Date".

In preparing the opening IFRS statement of financial position and the financial statements for the year ended July 31, 2011, the Company has adjusted amounts reported previously in financial statements that were prepared in accordance with CGAAP. An explanation of how the transition from CGAAP to IFRS has affected the Company's financial position is set out in the following table. There was no effect on financial performance or cash flows. The guidance for the first time adoption of IFRS is set out in IFRS 1. IFRS 1 provides for certain mandatory exceptions and optional exemptions for first time adopters of IFRS.

The guidance for the first time adoption of IFRS is set out in IFRS 1. IFRS 1 provides for certain mandatory exceptions and optional exemptions for first time adopters of IFRS. The Company elected to take the following IFRS 1 optional exemptions:

a) to apply the requirements of IFRS 2, Share-based Payments, only to equity instruments granted after November 7, 2002 which had not vested as of the Transition Date; and

b) to transfer all stock based compensation for expired, cancelled or forfeited stock options and warrants recognized as a separate component of equity, to deficit at the Transition Date of IFRS.

The Company has elected to apply IFRS 2 to awards that expired prior to August 1, 2010, which had been accounted for under CGAAP. Under IFRS, the Company can reverse the fair value of share-based awards when the award is expired. Under CGAAP the fair value of share-based awards could not be reversed regardless of the award expiration. The Company also changed its accounting for warrant valuations included in units from the relative fair value method to the residual value method.

The Company applied the following mandatory exception:

Estimates:

Hindsight is not used to create or revise estimates. In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under the previous CGAAP applied, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of August 1, 2010 are consistent with its CGAAP estimates for the same date.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification of financial instruments

Financial instruments measured at fair value are classified into one of three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value (``FV``) hierarchy has the following levels:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (ie. as prices) or indirectly (ie. derived from prices); and

Level 3- inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company`s financial instruments consist of cash, receivable, accounts payable and accrued liabilities.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair value because of the short term nature of these instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The

Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment grade short-term demand deposit certificates issued by its banking institutions. The company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company is exposed to interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates.

Foreign currency risk

The Company is exposed to foreign currency risk on currency fluctuations related to monetary items with a settlement currency other than Canadian dollars. The Company operates in foreign jurisdictions which use the United States Dollar ("US$"). The Company does not use derivative instruments to reduce upward and downward risk associated with foreign currency fluctuations.

Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

OTHER MD&A REQUIREMENTS

Additional Disclosure for Venture Issuers without Significant Revenue:

As the Company has not had revenue from operations in either of its last two financial years, the following is a breakdown of the material costs incurred:

	Year ended July 31, 2012	**Year ended July 31, 2011**
General and Administration Expenses	**$2,492,128**	**$2,068,031**

Disclosure of Outstanding Share Data

The Company's authorized share capital consists of unlimited common shares without par value.

As at July 31, 2012, the Company had 98,653,166 issued and outstanding common shares and as at November 21, 2012 the Company had 104,353,166 issued and outstanding common shares.

The following is a summary of stock options outstanding as at July 31**,** 2012 and November 21, 2012:

Expiry Date	Exercise Price Per Share	Number of Shares Remaining Subject to Options (July 31, 2012)	Number of Shares Remaining Subject to Options (November 21, 2012)
May 29, 2013	$0.10	175,000	175,000
March 9, 2014	$0.10	500,000	500,000
July 14, 2014	$0.22	500,000	500,000
August 28, 2014	$0.22	850,000	850,000
May 21, 2015	$0.10	2,500,000	2,500,000
October 8, 2015	$0.10	300,000	300,000
March 16, 2016	$0.25	2,750,000	2,750,000
June 24, 2016	$0.25	500,000	500,000
October 6, 2016	$0.18	1,000,000	1,000,000
Total		**9,075,000**	**9,075,000**

The following is a summary of share purchase warrants outstanding as at July 31, 2012 and November 21, 2012:

Expiry Date	Exercise Price Per Share	Number of Shares Remaining Subject to Warrants (July 31, 2011)	Number of Shares Remaining Subject to Warrants (November 21, 2012)
Sept. 28, 2012*	$0.10	14,060,000	14,060,000
June 20, 2014	$0.14 - $0.17	3,044,000	3,044,000
Oct. 9, 2015	$0.10	-	2,660,000
Total		**17,104,000**	**19,764,000**

*The September 28, 2012 expiry date for the 14,060,000 warrants has been extended by 12 months, to September 28, 2013. The pricing of the warrants remain $0.10. This extension occurred subsequent to year end.

Internal Controls over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company assessed the design of the internal controls over financial reporting as at July 31, 2012 and concluded that there are material weaknesses in internal controls over financial reporting, which are as follows:

a) Due to the limited number of staff resources, the Company believes there are instances where a lack of segregation of duties exist to provide effective controls; and

b) Due to the limited number of staff resources, the Company may not have the necessary in-house knowledge to address complex accounting and tax issues that may arise.

The weaknesses and their related risks are not uncommon in a company the size of the Company because of limitations in size and number of staff. The Company believes it has taken steps to mitigate these risks by hiring additional personnel, consulting outside advisors and involving the Audit Committee and Board of Directors in reviews and consultations where necessary. However, these weaknesses in internal controls over financial reporting could result in a more than remote likelihood that a material misstatement would not be prevented or detected. The Company believes that it must take additional steps to further mitigate these risks by consulting outside advisors on a more regular and timely basis.

There have been no changes in the Company's internal controls over financial reporting that occurred during the year ended July 31, 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional Information

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

Cautionary Statement

This MD&A is based on a review of the Company's operations, financial position and plans for the future based on facts and circumstances as of November 21, 2012. Except for historical information or statements of fact relating to the Company, this document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. These statements involve known and unknown risks, uncertainties, and other factor that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.