JERICO EXPLORATIONS INC.

MANAGEMENT DISCUSSION & ANALYSIS
For the fiscal year ended September 30, 2012

Prepared as of January 21, 2013

Form 51-102-F1

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<u>Date of This Report</u>

This MD&A is prepared as of January 21, 2013 and includes information to that date.

This Management Discussion and Analysis ("MD&A") focuses on the financial condition and results of operations of Jerico Exploration Inc. (the "Corporation") for the fiscal years ended September 30, 2012, and September 30, 2011 for comparative purposes. This MD&A should be read in conjunction with the Corporation's audited financial statements and notes related thereto for the fiscal year ended September 30, 2012 which had been prepared in accordance with International Financial Reporting Standards. All dollar amounts herein are expressed in Canadian Dollars.

Certain statements contained in this document may constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", "investigate", "looking at" as they relate to the Corporation or its management, are intended to identify forward-looking statements or information. Such statements or information reflect the Corporation's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Forward-looking statements and information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors could cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or information, including among other things, those risk factors which are discussed elsewhere in documents that the Corporation files from time to time with securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.
The Corporation expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise. All written and oral forward-looking statements and information attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.

Overall Performance

Description of the Business

The Corporation was incorporated under the *Canada Business Corporations Act* on February 2, 2004. The Corporation has one wholly-owned subsidiary, Garden Petroleum Inc. (formerly Jerico Explorations Arizona, Inc.), incorporated under the laws of Arizona on September 30, 2005.

The Corporation was incorporated to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties. The Corporation does not have any producing property. Recovery of the cost of mining assets is subject to the discovery of economically recoverable reserves, the Corporation's ability to obtain the financing required to pursue exploration and development of its properties, and profitable future production or the proceeds from the sale of its properties. The Corporation must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

Property Activity

Harmony Property

Background

On March 1, 2004, the Corporation entered into a Mining Property Lease and Option to Purchase Agreement (the "Harmony Claims Purchase Agreement") for a right to purchase up to a 100% interest (subject to a 1% new production royalty) in the Harmony Claim block, a contiguous block of nine unpatented mining claims comprising 165 acres located in the Wallapai Mining District, Mohave County, Arizona, approximately 16 miles by road north of Kingman (the "Harmony Property"). The Harmony Claims Purchase Agreement required a series of payments totaling US$100,000, which payments the Corporation completed in full effective June 1, 2007.

On May 30, 2005, the Corporation filed on SEDAR a NI 43-101 technical report related to the Harmony Property dated April 18, 2005, and titled "Technical Report, Golconda Project, Wallapai Mining District, Mohave County, Arizona" (the "Technical Report") prepared for the Corporation and which is available for viewing at www.sedar.com.. The Technical Report was prepared by Douglas F. Irving, P.Eng., of Chapman, Wood and Griswold, Inc. of Albuquerque, New Mexico, the professional engineer engaged by the Corporation, who is a Qualified Person as such term is defined in National Instrument 43-101.

Historic Exploration Work – Conclusions and Recommendations

In December 2007 and January 2008 the Corporation conducted and completed an exploration phase in the Golden Eagle footwall zone and the Golden Eagle main zone on the Harmony Property. Full details about such exploration is set out in the Corporation's annual MD&A for the year ended September 30, 2008 filed on SEDAR on January 28, 2009. The drilling at the Golden Eagle zone on the Harmony Project confirmed the discovery of gold-silver mineralization that was made by Cyprus Minerals in 1987 to 1988. Mineralization was encountered across true widths of 30 to 40 feet along a 300 foot strike length. Drilling in a footwall structure confirmed the presence of disseminated gold-silver mineralization in an approximate 30 to 35 foot wide zone identified from earlier sampling of old surface and underground workings. Additional exploration on the project is recommended by the attending professional engineer and the geologist.

The technical content of the conclusions and recommendations of the drilling phase discussed herein was provided and reviewed by Douglas F. Irving, P.Eng., of Chapman, Wood and Griswold, Inc. of Albuquerque, New Mexico, the professional engineer engaged by the Corporation for such exploration phase, and who is a Qualified Person as such term is defined in National Instrument 43-101.

Based on the results of the assay and the geologist's recommendations, and assuming available financing, the Corporation may find it feasible to continue to expand the exploration program as recommended in the Technical Report.

Exploration Work Summary to the Fiscal year ended September 30, 2012

During the fiscal year ended September 30, 2012 the Corporation incurred $3,362 exploration and claim maintenance expenditures on the Harmony property. For comparative purposes, during the fiscal year ended September 30, 2011 the Corporation incurred $2,254 exploration expenditures on the property, and during the fiscal year ended September 30, 2010 these expenditures amounted to $2,406 for exploration expenditures, compared to $138,073 of exploration costs expended during the fiscal year ended September 30, 2008. The expenditures for that 2008 period consisted of $17,729 of access improvement and drill pads preparations, $46,988 of prospecting, sampling and assaying, and $73,356 of reverse circulation drilling.

The differences were caused by a change in the Corporation's strategy regarding its exploration work plan starting in the 2009 fiscal year. Due to tight capital markets at that time, in management's view, there was great uncertainty about the Corporation's ability to obtain additional financing in the near future to support a decision to proceed with further drilling under such circumstances. The Corporation is now focused on seeking out additional financing to expand its exploration program either with the Harmony Property or other new opportunities.

Recent Developments

In August, 2012, the Corporation entered into a non-binding Letter of Intent with Eden Petroleum Ltd. for a reverse takeover between the shareholders of Eden and of Jerico (the "**Acquisition**") in respect of the proposed acquisition by the Corporation of Eden's assets, being: contracts to purchase crude oil production assets and rights to petroleum development properties in the United States; intellectual property, including, legal, accounting, engineering, and tax, on specific cash-flow producing petroleum acquisition targets listed on a foreign Stock Exchange; and offers from financial institutions to finance such listed oil and gas assets.

In November, 2012, the Corporation and Eden entered into a Share Exchange Agreement effective November 13, 2012 (the "**SEA**"), setting out the definitive terms of the proposed Acquisition which entail Jerico acquiring all of the issued and outstanding shares of Eden from the Eden Shareholders in exchange for 40,000,000 common shares of Jerico (the "**Consideration Shares**"). The amount of Consideration Shares to be issued to the Eden Shareholders may be increased on an equal basis to account for an amount of up to 50,000,000 class "A" voting shares of Eden which may be issued by Eden pursuant to an equity financing on or before closing of the Acquisition.

Following the signing of the SEA, in accordance with the terms of the SEA, three of the Jerico directors resigned, two of which were also the CEO and CFO, and were replaced by appointments selected by Eden. The current board of Jerico consists of three directors, one of which is also both the CFO and Corporate Secretary, and a non-director CEO.

For more details about proposed Acquisition and the director and officer changes, see the Corporation's press release dated December 28, 2012 filed on SEDAR.

Pursuant to the TSX Venture Exchange's (the "**Exchange**") review of the Corporation's financial statements and disclosure documents, the Exchange has determined that the Corporation has more than one Tier 2 Continuous Listing Requirement ("**CLR**") deficiency. The deficiencies identified relate to working capital & activity for a corporation classified as Tier 2 mining issuer. On February 27, 2012, in accordance with section 3.2(b) of Exchange Policy 2.5, the Exchange placed the Corporation on notice with an initial deadline of May 28, 2012 by which date the Corporation is to provide a submission to the Exchange evidencing that it meets Tier 2 CLR. By ongoing discussions between management of the Corporation and the Exchange before the May 28, 2012 deadline, the Exchange extended its deadline for Corporation to provide evidence it satisfies the Tier 2 CLR by no later than August 31, 2012. By that date, the Corporation provided the Exchange with notice of the proposed Acquisition, and accordingly, the Exchange permitted the Corporation to retain its status as a Tier 2 issuer, pending completion of the Acquisition. On December 14, 2012, the Exchange again put the Corporation on notice to transfer to the NEX if it does not provide a submission in relation to the Acquisition to the Exchange by the close of business on January 9, 2013. On January 2, 2013, the Corporation requested an extension to the January 9, 2013 date to allow it more time to pull together the materials required for the submission the Exchange. As of the current date, the Corporation has not heard anything further from the Exchange.

If the Acquisition should be withdrawn or terminated or not completed in a timely manner, the Exchange may proceed to transfer the Corporation's listing to NEX without further notice.

Recent Developments Prior to the Above

As stated, management and the Board of Directors of the Corporation kept the activities of the Corporation at minimal maintenance level with the intention to carry the Corporation through the period of economic uncertainty and volatility in the capital markets that prevailed due to the economic recession resulting from the global credit crisis. Currently, the Corporation must obtain additional financing to proceed with further exploration or acquisition activities.

In August 2010 two independent directors resigned from their positions and duties as such. On October 04, 2010, $30,000 cash was received as these two resigned directors exercised their options to purchase 150,000 of the Corporation's common shares at an exercise price of $0.20.

In September 2010 the then chief financial officer was appointed to the board of directors, to comply with the TSX-V requirement to have at least three directors on the corporate board of directors. On November 09, 2010 the board of directors granted the chief financial officer the option to purchase 25,000 of the Corporation's common shares at an exercise price of $0.55.

An additional independent director was appointed in October 2010 and became a member of the audit committee, to comply with the requirement of the TSX-V to have at least two independent directors as members of the audit committee. On November 09, 2010 the board of directors granted this director the option to purchase 100,000 of the Corporation's common shares at an exercise price of $0.55. Both of the above option grants were approved by the TSX –V.

<u>Results of Operations</u>

Operations for the fiscal year ended September 30, 2012 compared to the fiscal year ended September 30, 2011.

During the fiscal year ended September 30, 2012, the Corporation incurred cash expenses of $38,355; consisting of $17,166 of audit fees, $6,351 of legal fees, $127 of office and miscellaneous expenditures, and $14,711 of filing, sustaining, and transfer fees. Non-cash charges of $355,560 were recorded during the fiscal year, consisting of $20,000, representing the estimated value of unremunerated management and administrative services provided by the officers and directors for the year, and $3,889, representing the fair value of the stock options vested during the fiscal year, as calculated by the Black Scholes option-pricing model. The main component of the non cash expenditures was the write-down of the Corporation's resource property in Arizona from $331,672 (recorded at cost of acquisition and exploration) to a nominal value of $1, as a result of Management's determination that sufficient indicators of impairment existed to necessitate an impairment review. As the property is in the exploration stage, cash flows relating to the cash generating unit cannot be determined at this stage of the development. The total recorded operating expenses thus incurred amounted to $393,915. No interest was earned on cash deposits, resulting in a net loss of $393,915 for the fiscal year ended September 30, 2012.

During the fiscal year ended September 30, 2011 the Corporation incurred cash expenses of $33,792, consisting of $10,910 of audit fees, $9,697 of legal fees, $564 of office and miscellaneous expenditures, and $12,621 of filing, sustaining, and transfer fees. Non-cash charges of $58,666 were recorded, $20,000 representing the estimated value of unpaid management and administrative services provided by officers and directors for the year, and $38,666 representing the fair market value of the stock options vested during the fiscal year, as calculated by the Black Scholes option-pricing model. Interest earned on cash deposits for the year was $19, resulting in a net loss of $92,439 for the fiscal year ended September 30, 2011. The increase in cash expenditures of $4,563 during the fiscal year ended September 30, 2012 over this comparable prior year is mainly due to charges incurred in preparations for and the execution of the conversion of the financial reporting under the rules of IFRS. There is a $296,894 increase in non cash expenses recorded. A reduction in non cash charges was achieved by having only to account for a remaining small balance of the fair marker value of stock options vested during the fiscal year ended September 30, 2012. The main component of the vast difference in non cash expense incurred during the fiscal year ended September 30, 2012 is caused by the write down of the value of the Corporation's resource property to a nominal $1.

Current Assets and Working Capital

As at September 30, 2012, the Corporation had current assets of $1,734, consisting of $274 cash, $160 HST recoverable, and $1,300 prepaid TMX sustaining fees. Current liabilities at that date were $16,749, resulting in negative working capital of $(15,015). At September 30, 2011 the Corporation had current assets of $37,094, consisting of $35,707 cash, $87 HST recoverable, and $1,300 prepaid TMX sustaining fees. Current liabilities at that date were $10,392, resulting in available working capital of $26,702. The decrease in working capital by $41,717, that occurred between September 30, 2011 and 2012 is attributable to the reduction in cash of $35,433 used to fund the operating expenditures, plus the increase in HST receivable of $73, less the increase in accrued expenses of $6,357, combine to effect the decrease in working capital of the stated $41,717 during the fiscal year ended September 30, 2012 as compared to the working capital available September 30, 3011. Management is actively soliciting its major shareholders to contribute funding via private placement to enable the Corporation to continue operating and to execute the recommended exploration phase at its Harmony property, and/or execute a major resource property acquisition. (Also, see below under the heading *Liquidity and Capital Resources*).

Liquidity and Capital Resources

As detailed above in the paragraph titled "*Current Assets and Working Capital*", at September 30, 2012, the Corporation had working capital of negative $(15,015) and a cash position of $274.

The Corporation has funded its activities to date from the sale of its equity securities. If additional capital financing arrangements, including public or private sales of debt or equity securities, are insufficient or unavailable, the Corporation will modify its growth, mineral exploration and operating plans to match available funding. Any additional equity financing may be on terms that are dilutive, or potentially dilutive, to its shareholders. Debt financing, if available, may involve restrictive covenants with respect to the Corporation's ability to pay dividends, raise additional capital or execute various other financial and operational plans.

All payment obligations under the Harmony Claims Purchase Agreement are completed, and the Corporation has no other material payment obligation, the cash expenditures needed to fund basic operating costs are approximately $40,000 per fiscal year.

Current cash assets of $274 at September 30, 2012, fall much short of enabling the Corporation to continue operations, unless a cash infusion via private placement can be secured. Accordingly, the Corporation has an increased risk to continue as a going concern on account of its shortage of working capital.

Summary of Quarterly Results

The following selected financial information is for the eight most recently completed quarters as derived from the Corporation's respective financial statements and notes thereto. The following information should be read in conjunction with the referenced financial statements, the notes to those statements and "Results of Operations" herein.

	Three month period ended Sep 30, 2012 (unaudited)	**Three month period ended June 30, 2012** (unaudited)	**Three month period ended Mar 31, 2012** (unaudited)	**Three month period ended Dec 31, 2011** (unaudited)	**Three month period ended Sep 30, 2011** (unaudited)	**Three month period ended June 30, 2011** (unaudited)	**Three month period ended Mar 31, 2011** (unaudited)	**Three month period ended Dec 31`, 2010** (unaudited)
Total revenue/interest income.................	-	-	-		$1	$3	$6	$9
Total expenses......	$351,857	$3,247	$21,195	$17,616	$41,688	$13,255	$20,443	$17,092
Comprehensive loss for the period	($351,857)	($3,247)	($21,195)	($71,616)	($41,667)	(13,252)	($20,437)	($17,083)
Basic and diluted loss per share	($0.06)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)

Balance Sheet Data:	**As at Sep 30, 2012** (audited)	**As at June 30, 2012** (unaudited)	**As at Mar 31, 2012** (unaudited)	**As at Dec 31, 2011** (unaudited)	**As at Sep 30, 2011** (audited)	**As at June 30, 2011** (unaudited)	**As at Mar 31, 2011** (unaudited)	**As at Dec 31, 2010** (unaudited)
Total assets.................	$1,735	$337,183	$346,107	$363,545	$365,404	$367,822	$378,582	$394,161
Total long term financial liabilities.......	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders' equity(deficit).............	($15,014)	$331,844	$341,254	$350,355	$355,012	$367,398	$371,459	$381,799

Selected Annual Information

The highlights of financial data of the Corporation for each of the three most recently completed fiscal years are as follows:

	Sep. 30, 2010*	Sep. 30, 2011	Sep. 30, 2012
(a) Net Sales	Nil	Nil	Nil
(b) Loss before exchange and investment income	$(81,998)	$(92,458)	$(393,915)
(c) Net Loss	$(81,943)	$(92,439)	$(393,915)
(d) Loss per share – basic and diluted	$(0.01)	$(0.01)	$(0.06)
(e) Total assets	$372,814	$365,404	$1,735
(f) Total long term liabilities	Nil	Nil	Nil
(g) Cash dividends declared per share	Nil	Nil	Nil

*Prepared in accordance with Canadian GAAP prior to the adoption of IFRS.

Related Party Transactions

Management continues to provide administrative services to the Corporation without monetary remuneration while the Corporation is in the initial exploration stage. The fair value of management and administrative services received by the Corporation was estimated to be $1,500 per month, plus incidental expenses of $2,000 for the year. The fair values were determined based on market based indicators for time and expertise, and comparable arms length values. The amount has been recorded in the statement of loss, comprehensive loss, and deficit and included as an addition to reserves.

Changes in Accounting Policies

Recent accounting pronouncements

Convergence with International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that publicly accountable enterprises are required to adopt IFRS for fiscal years beginning on or after January 1 2011. Accordingly for its fiscal reporting period beginning October 1, 2011, the Corporation has adopted IFRS as the basis of preparing its financial statements, and has reported its financial results for the fiscal year ended September 30, 2012 prepared on an IFRS basis with restatement of comparative information presented for the fiscal year ended September 30, 2011. The Corporation's transition date of October 1, 2011 required a reconciliation of the restatements for comparative purposes of amounts reported by the Corporation for the year ended September 30, 2011. The presentation of the financial statements has changed, as the Corporation complied with increased disclosure requirements under IFRS and differing prescribed formats of the balance sheet and statements of income/loss and cash flow. Management implemented the changes to affected accounting policies and practices, business processes, systems, and internal controls. Management complied with reporting under IFRS starting with the first fiscal quarter ended December 31, 2011, and continuing with the subsequent fiscal quarters ended September 30, 2012.

To this date there have been no material changes under the provisions of IFRS to the reported financial values of the current accounts as had been reported under Canadian GAAP.

However, as previously mentioned, at September 30, 2012 management determined that under the provisions of IFRS sufficient indicators of impairment existed to necessitate an impairment review of the Harmony Property. Under Canadian GAAP the value of the Property had been recorded at the cost of acquisition and the cost of exploration work conducted by the Corporation. As the property is in the exploration stage, cash flows relating to the cash generating unit cannot be determined at this stage of the development. The Corporation has had discussion with interested potential buyers and the Firm of mining engineers and geologists concerning the claims. While the intrinsic value of the mineral contents has not diminished, the fair value of the claims and the project to market cannot be reliably estimated. Therefore management has recorded an impairment to the property by writing its carrying value down to a nominal value of $1.

The impairment may be reversed in future, if a reliable estimate of the fair value of the claims and project becomes available.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, receivables, prepaid expenses, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

The Corporation is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, and liquidity.

a) Currency risk

Currently, the Corporation is not exposed to significant currency risks as its capital and operations are in Canadian dollars. At the time the Corporation expands the exploration program on the Harmony Project, the Corporation will be contracting services in US Dollars. The Corporation would be exposed to fluctuations between the currencies which will affect the overall cost of the exploration program.

b) Credit risk

Credit risk is the risk of a financial loss to the Corporation if a counterparty to a financial instrument fails to meet its obligations. The Corporation’s cash is held in large Canadian financial institutions. The Corporation does not have any asset-backed commercial paper. The Corporation’s receivables consist primarily of GST receivable due from the Federal Government of Canada.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is very limited interest rate risk as the Corporation holds no interest bearing financial obligations.

d) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they become due. The Corporation’s ability to continue as a going concern is dependent on management’s ability to raise required funding through future equity issuances. The Corporation 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.

Share Capital and Outstanding Share Information

The authorized share capital of the Corporation consists of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in one or more series, having certain rights, privileges, restrictions and conditions as set out in the Corporation's Articles. There have been no preferred shares issued since the Corporation's inception.

As of the date of this MD&A:

Common shares issued	6,699,001
Stock options exercisable between $0.20, $0.35, and $0.55	450,000
Agent's Warrants	Nil
Maximum number of common shares outstanding (fully diluted)	7,149,001

Escrow

As of the date of this MD&A, there are nil common shares that are, or have a right to be, owned by directors and major shareholders held in escrow. On August 26, 2008 all remaining common shares held in escrow (794,700) were released.

Dividend Report and Policy

The Corporation has not paid any dividends since incorporation and it has no plans to pay dividends. The directors of the Corporation will determine if and when dividends should be declared and paid in the future based on the Corporation's financial position at the relevant time. All holders of the common shares in the capital of the Corporation are entitled to an equal share in any dividends declared and paid.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Under Canadian securities laws, because the Corporation is a venture issuer, it is not required to certify the design nor provide an evaluation of its disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") and therefore, has not completed such an evaluation. Accordingly, this MD&A does not contain a discussion relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, management of the Corporation is not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

Accordingly, inherent limitations on the ability of the Corporation's management to design and implement on a cost effective basis DC&P and ICFR for the Corporation may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

For the fiscal year ended September 30, 2010 and for the fiscal year ended September 30, 2011, and the fiscal year ended September 30, 2012, there were no changes in policies or procedures for DC&P and ICFR as compared to the prior fiscal years.

Risks and Uncertainties

The Corporation's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

Although the Corporation has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Corporation has no significant source of operating cash flow and no revenues from operations. None of the Corporation's mineral properties currently have reserves. The Corporation has limited financial resources. Substantial expenditures are required to be made by the Corporation to establish ore reserves.

The property interests owned by the Corporation, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Corporation's mineral exploration may not result in any discoveries of commercial bodies of mineralization. If the Corporation's efforts do not result in any discovery of commercial mineralization, the Corporation will be forced to look for other exploration projects or cease operations.

The Corporation is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Corporation may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Corporation conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Corporation is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Corporation.

The Corporation currently has no working capital and incurs significant expenses on an on-going basis by virtue of being a public Corporation, and this represents a significant risk factor. The

Corporation will therefore require additional financing to carry on its business, and such financing may not be available when it is needed.

Additional Disclosure for Issuers without Significant Revenue

The Corporation has not had any revenues from operations during the fiscal year ended September 30, 2010, the fiscal year ended September 30, 2011, and the fiscal year ended September 30, 2012. Please, consult the audited annual financial statements pertaining to the fiscal year ended September 30, 2011 and the fiscal year ended September 30, 2012 for presentation of the significant acquisition, exploration and operating costs.

Subsequent Events

The Corporation is endeavoring to raise additional capital to obtain sufficient Working Capital to continue exploring its mining property and to pursue M&A and joint venture opportunities of promising characteristics.

On November 13, 2012, the Corporation entered into a Share Exchange Agreement (**SEA**) with Eden Petroleum Ltd. (**Eden**), whereby the Corporation would acquire all of the issued and outstanding voting shares of Eden in exchange for 40,000,000 common shares of the Corporation. As a result of the transaction, the Eden shareholders would effectively acquire control of the Corporation by way of a reverse takeover. The SEA contemplates a number of conditions including a name change and the cancellation of outstanding stock options. The number of common shares issued to Eden shareholders may increase as a result of an additional financing in Eden. The transaction is subject to shareholder, TSX-V and regulatory approvals.

The proposed arrangement could succeed in attracting additional financing and moving the Corporation into the oil and gas exploration industry.

On December 5, 2012, the Corporation's wholly owned subsidiary Jerico Arizona changed its name to Garden Petroleum Inc.

Other Information

Additional information relating to the Corporation is available for viewing on SEDAR at www.sedar.com.