MONTANA GOLD MINING COMPANY INC.
Management's Discussion and Analysis
Year Ended December 31, 2015
Dated April 29, 2015
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") is provided for the purpose of reviewing the year ended December 31, 2014 and comparing results to the previous year. The MD&A was prepared as of April 29, 2015 and should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the years ending December 31, 2014 and 2013. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.

Additional information related to the Company is available for view on SEDAR at www.sedar.com and at the Company's website located at www.montanagoldmining.com.

DESCRIPTION OF THE BUSINESS

Montana Gold Mining Company Inc. (the "Company") is a mineral exploration company focused on the acquisition and exploration of mineral resources, primarily gold and silver in the States of Montana and Nevada, USA.

The Company is a reporting issuer in the Province of Ontario and its common shares trade on the Canadian Securities Exchange ("CSE") under the symbol MGM.

CORPORATE ACTIVITIES

On February 28, 2014 the Company reported closing a non-brokered private placement financing. The placement totaled $100,000 CAD and was completed though the issuance of units priced at $0.05 CAD per unit. Each unit was comprised of one common share and one warrant to purchase an additional common share exercisable at $0.10 for three years. IBK Capital acted as advisor on this transaction on a non brokered basis.

Also on February 28, 2014, the Company reported completing a Cultural Resource Survey of the Golden Trail Project, Elko County, Nevada, USA ("Golden Trail") as part of an application for an exploration drilling permit that had been initiated with the Bureau of Land Management.

On March 17, 2014, the Company reported completing surface rock-chip line sampling and both ionic leach and conventional soil geochemical surveys on the Golden Trail. The purpose of these surveys was to demonstrate the repeatability and continuity of historic rock chip samples, better understand the structural and lithological controls, and to conduct a pilot soil survey to determine the usefulness of soil sampling at Golden Trail for determining the continuity of gold mineralization in areas of poor outcrop.

Previous surface work at Golden Trail is comprised of detailed geologic mapping, ground based gravity and magnetic surveys, over 900 surface rock-chip (grab) samples and has traced the largest identified surface vein, the Golden Trail Vein (GTV), to over 1,200 meters long, with an associated alteration zone that averages about 30 meters wide. Gold values above 20 ppb are common within the zone and several samples above 9 grams have been taken in the central GTV area including one rock chip sample of decalcified limestone that contained over 28 grams gold.

Highlights of the surface survey programs include:

- 13.7 grams gold and 36.2 grams silver was returned in one 5 foot continuous trench sample of a siliceous Feox-Rich limestone Breccia.
- 3.49 grams gold with 105 grams silver was returned in a another 5 foot continuous trench sample of a jasperoid & limestone contact material.
- Of 44 continuous 5 foot line trench samples taken in various locations on the property for better structural and lithologic understanding, only 2 returned no gold or silver. Twenty percent of the 5 foot continuous line samples contained greater than 0.1 gram gold and fifty percent contained greater than 1.0 gram of silver.
- Both the ionic-leach and conventional soils geochemical surveys correspond to the same north-western trend as the gold values encountered in the previous surface rock-chip sampling.
- These soils analyses correspond with previous surface rock-chip sampling in showing that Au, Ag, As, Sb and Ti are intimately associated at Golden Trail, which is a typical association for sediment hosted gold deposits in the Great Basin and along the Pequop Trend (Eastern Nevada Gold Trend).
- The geochemical surveys will aid in drill targeting and the relationship between the Ionic-leach data and an underlying gravity anomaly is of particular interest.

The March 17, 2014 news release also stated:

Gold values up to 13.7 grams and silver values up to 105 grams in the five-foot long (1.5 meters) continuous line samples show good correlation with the historic sampling. These results show that the northwestern-trend of the soil anomalies corresponds with the trend of the historic rock chip assays and pathfinder geochemistry in this area and that higher assay values are along a gently dipping contact between jasperoid and a decalcified marble dissolution breccia. Beneath the jasperoid, lower but consistent gold values are within vuggy ocherous weakly siliceous dissolution collapse breccia. The soil lines demonstrate continuity of the mineralized trend in areas without outcrop. The jasperoid and dissolution collapse breccia are controlled by nearly horizontal bedding planes in the marble and thin banded sub-vertical veins, probable joint and fracture fillings, cutting across the breccia in several outcrops. These relationships suggest that the gold mineralization is relatively late and post-dates the thermal metamorphism and calc-silicate skarn formation at Golden Trail.

Several elements were anomalous in both conventional and ionic leach soil analyses and these are Ag, As, Cd, Cu, Hg, Pb, Sb, Sn, and Zn. These elements probably reflect higher concentrations of secondary minerals present at the surface that are derived from primary sulfides at depth.

The anomalous geochemical patterns associated with the H_3O and REE concentrations are likely double-peak or rabbit-ear responses typical of actively oxidizing bedrock sulfides beneath the water table. The anomalous gold and pathfinder responses which are adjacent to the H_3O anomalies and along the northwest trending Golden Trail Vein may be shallower anomalies above the water table. The relationship between these responses and a significant gravity anomaly underlying the Golden Trail is of particular interest.

A report prepared by Richard C. Capps, PhD describing the recent work noted similarities between gold mineralization at Golden Trail and recently discovered gold deposits in the Pequop Range, Elko County, Nevada including:

- Mineralization at Golden Trail is within a thick sequence of Paleozoic carbonate rocks similar to the stratigraphic section in the Pequop Mountains to the south of the Golden Trail and the location of Newmont's Long Canyon Gold Deposit.
- These Paleozoic strata are strongly and complexly deformed by mid-Mesozoic orogenic (compressive) tectonics and subsequent metamorphism at deeper crustal levels.

- Tertiary extension and accompanying magmatism produced focused pathways such as normal faults and detachment zones and repositories for subsequent, regionally mostly Eocene, mineralizing solutions, forming large locally mineralized dissolution cavities and siliceous breccias.
- The intimate association of Au, Ag, As, Sb, and Tl at Golden Trail and at the Long Canyon deposit is a typical association for sediment hosted gold deposits in the Great Basin (Carlin Deposits) and their deposition is considered cogenetic (Example: arsenian pyrite, arsenopyrite, and marcasite co-deposited with gold).

On March 25, 2014, the Company issued 150,000 options to a consultant. Each option is exercisable up to December 24, 2015 at a price of $0.05 CDN per option.

On June 4, 2014 it was announced that John F. O'Donnell, BA (Economics), LLB was appointed as Chairman of the Company's board of directors; that the Company closed on a $115,025 CDN tranche of private placement financing; that it had reduced current payables through write-offs or debt conversion; and had granted 1,150,000 options on May 29, 2014.

Mr. O'Donnell is counsel to the Toronto law firm of Stikeman Keeley Spiegel Pasternack LLP and is primarily involved in the field of corporate and securities law. Mr. O'Donnell has an extensive background serving as counsel to, or as a director, officer, or chairman of several publicly listed technology and resource companies.

The private placement financing totaled $115,025 and was comprised of units priced at $0.05 per unit. Each unit consists of one common share and one common share purchase warrant exercisable for three years at $0.10.

The Company's payables were being reduced through write-offs and conversion of some debt into common shares. Three directors who are also officers elected to permanently opt out of eligibility for director fees effective June 1, 2014 so long as they are receiving management fees, and have requested the Company write-off a total of $12,250 in director fees owed to them in this regard during Q2 2014. These directors also previously requested the write-off of $203,885 CDN owed to them in management fees which was done during the year ended December 31, 2013. In addition to these write-offs, $168,000 CDN owing in management fees was converted to common shares at the market price of $0.065 CDN per share.

In late May, 2014, the Company granted a total of 1,150,000 incentive stock options to independent directors and to consultants of the Company. These options are exercisable over 5 years at an exercise price of $0.065 CDN. One consultant receiving a grant of 200,000 options on these terms was Graham Murray who provides market making services to the Company.

The Company had a display of the Golden Trail project at the Elko Mining Expo on June 5 and 6, 2014 in Elko, Nevada. The Company President, Edward Ellwood, MBA was in attendance along with the Senior Project Geologist, Richard Capps, PhD.

On June 26, 2014 the Company held its Annual and Special Meeting of Shareholders in London, Ontario. All resolutions were adopted in favor and a subsequent board meeting re-confirmed the officers of the Company. As a result the elected directors and appointed officers of the Company presently are:

John O'Donnell, Director and Chairman
Edward L. Ellwood, MBA, Director, President and CEO
Paul Teodorovici, Director, Vice-President
Eric Plexman, Director, CFO and Corporate Secretary
Kent Britton, Director
Luard Manning, P.Eng. Director, Qualified Person under NI 43-101
Clifford Wiebe, Director
John Wozny, MA, Director

On June 27, 2014, it was announced that the Company closed on a tranche of a non-brokered private placement financing totaling $65,513 CDN and consisting of units priced at $0.05 CDN per unit. Each unit consists of one common share and one common share purchase warrant exercisable for three years at $0.10.

In July, 2014 the Company announced the grant a total of 500,000 incentive stock options to directors of the Company pursuant to the Company's Stock Option Plan. The options may be exercised to purchase common shares at $0.08 CDN for a term of five years.

In the summer of 2014, the Company completed an encouraging pilot survey using hyperspectral imaging technology on 44 five-foot rock-chip line samples taken late in 2013 at Golden Trail. This pilot survey discovered a distinctive alteration mineral assemblage associated with higher gold values and therefore useful as an exploration pathfinder at Golden Trail.

The Company is now planning to conduct an airborne hyperspectral survey over the Golden Trail and other areas of interest at the appropriate time. In addition, the Company plans to apply hyperspectral technology in the logging of all drill core as drilling of the property proceeds. Edward Ellwood, President of MGM, commented *"This technology is what NASA uses to identify rock types on Mars. It is now available for commercial use on Earth and we are seizing on the advantages and information that it can provide."* Mr. Ellwood continues*; "Hyperspectral imaging is a state of the art method of accurately identifying rock types, minerals or even mineral species. Every mineral type has a unique spectral signature in sunlight. What is happening here is that the trained geologist's human eye is being enhanced by this technology and our ability to track down mineralized beds or deposits is considerably enhanced. We plan to use it throughout our exploration of the Golden Trail as we feel that it will quickly enable 3-D modeling and provide essential geologic control."*

The 44 samples used in the pilot survey were rock-chip line samples taken over five-foot continuous intervals at surface. The hyperspectral study established that the highest gold values are within hydrothermally altered and replaced marble/limestone that is little distinguished in outcrop from adjacent altered limestone with significant but lower values. These original samples were taken to establish a better understanding of the controls on gold mineralization and found that the highest values are along the contacts between solution collapse breccia and hydrothermally altered marble and an overlying and shallowly dipping jasperoid horizon. The distinctive mineral assemblage discovered by the hyperspectral pilot study distinguishes the zones of high gold values from zones of lower gold values.

In the fourth quarter of 2014, the Company (1) engaged Optimize Capital Markets for the purposes of raising a first stage financing of $500,000 CDN on a best efforts basis; (2) received a notice from the US Bureau of Land Management that will permit the proposed diamond drilling program at the Golden Trail, subject to various reasonable conditions respecting disturbances, wildlife and the environment. The financial guarantee required is a total of $26,156 of which $15,271 has already been paid.; (3) retained Atlanta Capital Partners, LLC to provide investor relations services. An option to purchase up to 100,000 common shares at $0.05 CDN each for one year will be granted as part of the agreement with Atlanta Capital Partners; (4) closed on a non-brokered private placement financing totaling $50,000 and consisting of units priced at $0.05 CDN per unit. Each unit consists of one common share and one common share purchase warrant exercisable for three years at $0.10 CDN.

<u>Corporate Activity Subsequent to the Year End</u>

Subsequent to year-end, the Company received proceeds of $50,380 (CDN$61,705) for units to be issued with an ascribed value of CDN$0.05 per unit. Each unit consists of one common share and one share purchase warrant exercisable for 3 years. Each warrant entitles the holder to purchase one share at a price of CDN$0.10

OVERALL PERFORMANCE

In summary the Company's financial condition has increased over the past twelve months ended December 31, 2014. Working capital deficiency (current assets less prepaid expenses less current liabilities) decreased by $107,230 from ($515,505) at December 31, 2013 to ($408,275) at December 31, 2014. The net increase is mainly attributable to:

a. settlement of debt by share issuances totaling $153,603;
b. reduction of trade payables of $8,459 from $55,487 at December 31, 2013 to $47,028 at December 31, 2014
c. reduction of audit and accounting payables of $7,650 from $39,410 at December 31, 2013 to $31,760 at December 31, 2014
d. proceeds from share issuances netting at $299,336.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's Consolidated Financial Statements for each respective year.

	Year Ended Dec 31, 2014	Year Ended Dec 31, 2013	Year Ended Dec 31, 2012
	$	$	$
Revenue	Nil	Nil	Nil
Income (loss) for the year	(348,619)	(100,446)	(392,265)
Net income (loss) per share (1)	(0.008)	(0.003)	(0.014)
Total assets	598,372	554,379	511,156
Long-term debt	Nil	Nil	Nil
Dividends per share	Nil	Nil	Nil

Notes:
(1) basic and diluted

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS

For the year ended December 31, 2014 and December 31, 2013, the Company had no revenue. Exploration and claim maintenance expenses for the year were $20,292 compared to $39,695 during the previous year.

Year ended December 31, 2014 Compared to Year ended December 31, 2013

Operating Revenues: The Company is a mineral exploration company and has no operating revenues.

The Company incurred a net loss of ($348,619) for the year ended December 31, 2014, an increase of $248,173 over the year ended December 31, 2013 ($100,446).

Expenses for the year ended December 31, 2014 were $555,892 an increase of $3,537 over the amount of $552,355 for the year ended December 31, 2013.

Expenses incurred during the year were:

i. Office and administrative costs of $393,682. Includes management and director fees described below under “Transactions with Related Parties”. (2013-$463,574);
ii. Professional Fees of $57,954. Includes legal and audit fees. (2013-$88,781);
iii. Stock based compensation of $104,256. This is the fair value of options granted to directors and consultants estimated at the date of grant based on the Black-Scholes pricing model. (2013-$0);

Gains during the year were:

i. Gain on foreign exchange of $44,110 (2013-$39,586);
ii. Gain on revaluation of foreign currency warrants of $84,055 (2013-$75,620);
iii. Reversal of management and director fees payable of $57,108 as described below in “Transaction with Related Parties” (2013 - $239,794);
iv. Reversal of accounts payable of $0 (2013 - $96,909 relating to Gold Reef of Nevada, a former USA subsidiary);
v. Reversal of restoration liabilities of $22,000 relating to the Rimrock Property. (2013 - $0)

Total assets as at the end of December 31, 2014 were $598,372 (2013 - $554,379) and consisted of cash $44,681 (2013 - $17,744), HST receivable of $26,371 (2013 - $4,607) prepaid expenses of $1,258 (2013 - $1,258), mining claims and deferred exploration expenditures $510,791 (2013-$490,499) which represent staking expenditures to secure the Company’s mineral exploration project and exploration expenditures, and reclamation bonds $15,271 (2013-$40,271).

Total current liabilities as at December 31, 2014 were $479,327 (2013 - $537,856) consisting primarily of trade payables and amounts due to directors and officers.

The Company has no long term financial liabilities except for management’s estimated site restoration costs relating to their exploration program of NIL (2013 - $22,000) and warrants denominated in a foreign currency of $248,787 (2013 - $185,472).

The Company has no sales and has never earned revenues with the exception of non-material interest revenue. Raising capital through sales of its common shares funds the Company’s exploration operations.

SUMMARY OF QUARTERLY RESULTS

Three months Ended December 31, 2014 Compared to Three months Ended December 31, 2013

Operating Revenues: The Company is a mineral exploration company and has no operating revenues.

The Company incurred a net gain of $90,881 for the three months ended December 31, 2014, an increase of $115,081 in gains over the three months ended December 31, 2013 ($24,200). The gain is attributable to the expenses and gains noted below.

Expenses: Expenses for the three months ended December 31, 2014 were $102,274, a decrease of $56,991 over the amount of $159,265 for the three months ended December 31, 2013.

Expenses incurred during the three months ended December 31, 2014 were:

iv. Office and administrative costs of $77,452. Includes management and director fees described below under “Transactions with Related Parties”. (2013-$107,790);
v. Professional Fees of $22,839. Includes legal and audit fees. (2013-$49,905);

vi. Stock based compensation of $1,983. This is the fair value of options granted to a consultant estimated at the date of grant based on the Black-Scholes pricing model. (2013-$0);

Gains during the three months ended December 31, 2014 were:

vi. Gain on foreign exchange of $26,391 (2013-$17,116);
vii. Gain on revaluation of foreign currency warrants of $145,103 (2013-$73,039);
viii. Reversal of management and director fees payable of $57,108 as described below in “Transaction with Related Parties” (2013 - $45,940);

Summary of Quarterly Results to December 31, 2014

Description	Dec 31/14	Sep 30/14	June 30/14	Mar 31/14	Dec 31/13	Sep 30/13	June 30/13	Mar 31/13
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/(Loss)	90,881	436,695	(648,007)	(228,188)	(24,200)	(169,045)	230,594	(137,795)
Net Income/(Loss) Per share – Basic & Diluted	0.002	0.01	(0.016)	(.006)	(.0006)	(.005)	.007	(.004)

LIQUIDITY

As at December 31, 2014, the Company had cash in the amount of $44,681 (2013-$17,744) and current liabilities of $479,327 (2013-$537,856). As at December 31, 2014, the Company has a working capital deficiency of $407,017 (2013 - $514,247). As a result, the Company has liquidity risk and is dependent on raising capital.

CAPITAL RESOURCES

For its long term business objectives, the Company will require funds for ongoing exploration work on its SBSL Property in Montana and its Golden Trail Property in Nevada, to work on any other mineral projects that it acquires, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term or none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company is not in default of its obligations on any of its mineral properties at this time.

OFF BALANCE SHEET ARRANGEMENTS

At April 29, 2015, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Remuneration of Directors and key management of the Company was as follows:

	2014	2013
Stock-based compensation(i)	**$75,976**	$0
Management and director fees (ii)	$**304,513**	**$**380,067
	$ 380,489	$380,067

(i) Fair market value of stock options issued to officers and directors.
(ii) Included in office and administrative costs in the consolidated statements of loss and comprehensive loss.

Other related party balances are listed below:

(a) Included in accounts payable and accrued liabilities is $400,539 (2013 - $442,959) of amounts owing to directors of the Company for management and director fees.

(b) During the year ended December 31, 2014, the Company issued 2,309,690 common shares to officers and directors to settle management fees owing of $168,000 CDN ($153,603 USD).

(c) During the year ended December 31, 2013, the Company reversed $239,794 of management fees owing to three directors from December 31, 2012 and director fees owing to four directors from December 31, 2011, which were included in accounts payable and accrued liabilities.

(d) During the year ended December 31, 2014, the Company reversed $57,108 of director fees owing to our directors from December 31, 2012, which were included in accounts payable and accrued liabilities.

PROPOSED TRANSACTIONS

There are no transactions proposed at this time other than as disclosed herein.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Committee.

The significant accounting policies of the Company are summarized in Note 2 to the Company's financial statements. Also included in Note 3 to the consolidated financial statements is a discussion of future accounting pronouncements and amendments issues but not yet adopted. The Company does not expect the adoption of such standards and amendments to have any material impact on its financial statements.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The accompanying consolidated financial statements include all adjustments that are, in the opinion of management, necessary for a fair presentation.

Information regarding significant areas of estimation, uncertainty and critical judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements relate to measurement of the recoverable amounts of mining claims and deferred exploration expenditures, the amount accrued for restoration liabilities, the valuation of stock options and warrants issued, the valuation of warrants extended and provisions for legal claims.

Financial Instruments

As at December 31, 2014, the Company's financial instruments are comprised of reclamation bonds, and accounts payable and accrued liabilities. The carrying values of the Company's financial instruments approximate their fair values due to the relatively short periods to maturity of these financial instruments.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's: (a) capitalized or expensed exploration and development costs; (b) expensed research and development costs; (c) deferred development costs; (d) general and administrative expenses; and (e) any material costs, deferred or expenses, not already referred to in this MD&A is provided in the Company's Condensed Interim Consolidated Financial Statements and its Consolidated Financial Statements for the year ended December 31, 2013, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUTSANDING SHARE DATA

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

Issued and outstanding: December 31, 2014 – 46,476,385;
Issued and outstanding: April 29, 2015 (date of this report) – 46,476,385

Warrants outstanding: December 31, 2014 – 22,710,765
Warrants outstanding: April 29, 2015 – 22,710,765

Options outstanding: December 31, 2014 – 4,500,000
Options outstanding: April 29, 2015 – 4,500,000

Dividend Policy

No dividends have been paid on any shares of the Company since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Controls and Procedures

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures, for the nature and size of the entity, are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, is made known to the Company's certifying officers. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that these controls and procedures are effective, for the nature and size of the entity, in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

Litigation

The Company is not a party to any litigation.

Risks Associated with Exploration and Mining Operations

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Corporation's mineral properties. Even if such commercial quantities are subsequently discovered by the Corporation's exploration efforts, there can be no assurance such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Corporation. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Corporation does not have control may be encountered and may adversely affect the Corporation's operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that future changes to environmental legislation may not adversely affect the Corporation's operations.

Mineral Market

The market for minerals is subject to factors beyond the Company's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration activities, the Company may require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Company anticipates that it will be heavily reliant upon the experience and expertise of management with respect to the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Corporation could materially adversely affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are Collins Barrow LLP, Licensed Public Accountants of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Company is TMX Equity Transfer Services in Toronto, Ontario.

Forward Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company’s current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’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. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law or the policies of the CSE.