STOCKPORT EXPLORATION INC.
(Formerly "Linear Metals Corporation)
Management Discussion and Analysis
Quarterly Report – April 30, 2012

This Management Discussion and Analysis of Stockport Exploration Inc. (the "Company" or "Stockport") provides analysis of the Company's financial results for the three and six-month periods ended April 30, 2012. The following information should be read in conjunction with the unaudited condensed consolidated financial statements and the notes to the unaudited condensed consolidated financial statements for the three and six-months ended April 30, 2012, which are prepared in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address anticipated operating costs, possible future resource property expenditures, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are considered forward-looking because we have used what we know and expect today to make a statement about the future. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements usually include words such as may, expect, plan, anticipate, budget, believe or other similar words. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Additional details of the specific risks associated with the operations of the Company and such forward-looking statements are set out below under "Risks and Uncertainties" and in the Company's January 27, 2012 Annual Information Form under "Risk Factors". Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.1 Date of Report

This report is prepared as of June 13, 2012.

1.2 Nature of Business and Overall Performance

Stockport is a junior exploration company listed on the Toronto Stock Exchange. Stockport initiated a shift in its strategic focus in 2011 when the Company completed an agreement with East African Pure Gold Limited ("EAPG") and B&M Mining Company Limited ("B&M") to earn up to an initial 80% interest in an initial three mineral exploration licenses in Kenya. Stockport has since expanded its Kenya property portfolio to cover an area of approximately 2,000 square kilometres (km^2), under license or application, located along the Migori greenstone belt of southwestern Kenya (the "Nyanza Project"). The Nyanza Project was the Company's primary focus during fiscal 2011 and continues to be the Company's main area of focus going forward.

As of the date of this report and in addition to the Nyanza Project, the Company also owns or controls an interest in three other properties, including the KM61 and Seymour Lake properties in Canada and the La Morena property in Mexico, and has not yet determined whether these properties contain ore reserves that are economically recoverable. The KM61 molybdenum-copper-silver project is the most advanced project and is considered to be an important long-term asset to the Company. KM61 is host to an indicated molybdenum resource of 66.6 million tonnes at 0.053% Mo, 0.09% Cu, and 2.6 g/t Ag (0.063% molybdenum equivalent) and an inferred resource of 38.9 million tonnes at 0.054% Mo, 0.09% Cu, and 2.7 g/t Ag (0.065% molybdenum equivalent) (43-101 compliant).

During the six-month period ended April 30, 2012, the Company incurred a net loss before income taxes of $5.0 million, an increase of approximately $4.6 million over the six-month period ended April 30, 2011. The increase in the loss was primarily a result of an impairment write-down of $4.4 million related to the Company's interest in the KM61 property. Other significant changes from the prior year's results included management salaries and services, which increased approximately $211,000 due to increased staffing levels compared to the prior year. Travel costs decreased approximately $52,000, as the Company was pursuing a number of mineral resource opportunities in 2011, prior to its agreement on the Nyanza Project in Kenya. Net income after taxes was impacted by a deferred income tax recovery of $504,000 during the

six-month period; the magnitude of deferred income tax recovery was a direct result of the impairment write-down of the KM61 property. The Company continues to have no revenue-producing operations and is dependent on future equity financings and/or project financing alternatives to fund future operations and continue exploration programs.

In light of the Company's continued financial constraints, management maintains a number of cost management strategies to minimize the Company's day to day cash operating costs. The Company's priority is to advance exploration activities and/or acquire new mineral projects while maintaining legal title to its key mineral properties. The Company continues to seek opportunities to raise additional project or equity financing and to identify and evaluate other strategic opportunities. Despite these efforts, there is no guarantee that the Company will be able to raise capital in the future and continue as a going concern.

Subsequent to the end of the six-month period, the Company announced a non-brokered private placement financing of up to 11,000,000 common shares at $0.10 per share, for total gross proceeds of up to $1,100,000. All securities issued pursuant to the private placement will be subject to a four-month hold period. As of the date of this report, the financing has not yet closed.

During fiscal 2011, the Company completed two private placement financings. On October 28, 2011, the Company completed a non-brokered private placement financing of 6,000,000 units at a price of $0.25 per unit, for aggregate gross proceeds of $1.5 million. Each unit consisted of one common share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to one common share at a price of $0.35 until October 28, 2013. On February 24, 2011, the Company completed a $1.0 million non-brokered private placement of 3,333,333 common shares priced at $0.30 per share. Proceeds of both private placements were used to fund the Nyanza Project and for working capital purposes.

During the year ended October 31, 2011, two directors of the Company provided debt financing of $300,000 in the form of demand loans, bearing interest at a rate of prime plus 2%. The loans were settled in full, including interest of $2,258, prior to October 31, 2011.

Subsequent to the end of the current period, a director of the Company provided debt financing in the amount of $75,000 to the Company in the form of a demand loan, bearing interest at an annual rate of 10%.

The Company's only source of recurring income is interest earned on the Company's cash balance; accordingly, the Company expects to continue to incur operating losses for the foreseeable future. The Company will continue to fund operating losses and exploration expenditures out of existing working capital and the proceeds from future equity offerings.

1.3 Selected Annual Information

Expressed in thousands of Canadian dollars, except per share amounts:

Fiscal Year	**2011**	**2010 ***	**2009 ***
Net loss	$ 618	$ 674	$ 8,336
Basic & diluted net loss per share	$ 0.01	$ 0.01	$ 0.20
Total assets	$ 12,827	$ 10,260	$ 10,699
Cash dividends per common share	N/A	N/A	N/A

The financial data for the fiscal year 2011 has been prepared in accordance with International Financial Reporting Standards, and all figures are stated in Canadian dollars.

**The financial data for the fiscal years 2009 and 2010 was prepared in accordance with Canadian Generally Accepted Accounting Principles and has not been restated to International Financial Reporting Standards, as the Company's date of transition was November 1, 2010.*

The Company expects to record losses until such time as an economic resource is identified, developed and exploited on one or more of the Company's properties. The Company's net losses in the future will be significantly impacted by any impairment write-downs or abandonments of any resource properties. During the six-month period, the Company recognized an impairment write-down of $4.4 million related to the Company's interest in the KM61 property. The

Company also recorded a write-down of its resource properties in fiscal year ended 2010 of $15,514. The Company will continue to review its portfolio of resource properties and write-down the carrying costs of any properties considered to be impaired.

1.4 Results of Operations

The Company has no operating revenues and is dependent on equity financings and/or project financing alternatives to fund its operations.

Three-month period ended April 30, 2012

During the three-month period ended April 30, 2012, the Company incurred a net loss of $0.3 million. The Company's operating expenses during the three-month period were $0.3 million, an increase of approximately $125,000, or 69%, primarily as a result of higher staffing levels when compared to the prior year. Significant operating expenses during the quarter included $169,158 in management salaries and services, including director insurance premiums, accrued director fees, and a total of $7,500 pursuant to a Management Services Agreement with Brigus Gold Corp., which provides certain accounting and administrative services to the Company. General and administrative costs of $23,464 increased approximately $9,000 over the prior year and were comprised primarily of premises, communication, and software expenses. The Company recorded non-cash stock-based compensation expense of $71,876, attributable to the estimated fair value of stock options earned during the quarter and non-cash amortization expense of $1,888, representing amortization of the Company's capital assets. The Company capitalized $20,643 of non-cash stock-based compensation expense during the current quarter to resource properties, attributable to the estimated fair value of stock options earned by the Company's exploration personnel and also capitalized $1,273 of amortization expense relating to capital assets used in exploration activities.

The Company also recorded other income of $21,000 related to the receipt of payments of $20,000 and the receipt of certain marketable securities valued at $12,000, which exceeded the book value of the related resource properties (see section 1.14 for additional details).

The Company incurred a currency exchange gain of $482 relating to its foreign currency transactions. The Company expects to continue incurring foreign exchange gains and losses arising from fluctuations in the value of the United States, Kenyan and Mexican currencies relative to the Canadian dollar.

Six-month period ended April 30, 2012

During the six-month period ended April 30, 2012, the Company incurred a net loss of $4.5 million. The Company's operating expenses during the six-month period were $5.0 million, an increase of approximately $4.6 million compared to the prior year. The previously-mentioned non-cash impairment write-down of the Company's KM61 accounted for $4.4 million of the increase in operating expenses. Other significant operating expenses included $300,318 in management salaries and services, including director insurance premiums, accrued director fees, and a total of $15,000 pursuant to a Management Services Agreement with Brigus Gold Corp. The overall increase in management salaries and services was a result of higher staffing levels during the current period. The Company also incurred professional service fees of $45,825, relatively consistent with the prior year, and investor relations and marketing costs of $14,380, representing an increase of $12,000 resulting primarily from the Company's increased marketing efforts during the current year. The Company recorded non-cash stock-based compensation expense of $148,832, attributable to the estimated fair value of stock options earned during the year and non-cash amortization expense of $4,837, representing amortization of the Company's capital assets. The Company capitalized $37,265 of non-cash stock-based compensation expense during the current year to resource properties, attributable to the estimated fair value of stock options earned by the Company's exploration personnel and also capitalized $2,149 of amortization expense relating to capital assets used in exploration activities. During the six-month period, the Company recognized a loss on the disposal of capital assets of $3,829 relating to the write-off of certain capital equipment in Mexico. The Company also recognized a deferred income tax recovery of $504,000 during the six-month period, which was significantly impacted by the previously-mentioned impairment write-down.

The Company incurred a currency exchange loss of $5,185 relating to its foreign currency transactions. The Company expects to continue incurring foreign exchange gains and losses arising from fluctuations in the value of the United States, Kenyan and Mexican currencies relative to the Canadian dollar.

1.5 Summary of Quarterly Results

Expressed in thousands of Canadian dollars, except per share amounts:

	Fiscal 2012		Fiscal 2011				Fiscal 2010	
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4***	**Q3***
	Apr-12	Jan-12	Oct-11	Jul-11	Apr-11	Jan-11	Oct-10	Jul-10
Net loss	$ (284)	$ (4,205)	$ (171)	$ (172)	$ (127)	$ (148)	$ (162)	$ (143)
Basic & diluted net loss per share	$ 0.00	$ 0.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Total assets	$ 8,491	$ 8,400	$ 12,827	$ 11,057	$ 11,015	$ 10,418	$ 10,260	$ 10,263

The financial data for the fiscal years 2011 and 2012 has been prepared in accordance with International Financial Reporting Standards, and all figures are stated in Canadian dollars.

**The financial data for the fiscal year 2010 was prepared in accordance with Canadian Generally Accepted Accounting Principles and has not been restated to International Financial Reporting Standards, as the Company's date of transition was November 1, 2010.*

1.6 Liquidity, Capital Resources and Going Concern

As of April 30, 2012, the Company had negative working capital of $0.9 million, compared to working capital of $0.3 million at October 31, 2011, a decrease of $1.2 million. During the six-month period ended April 30, 2012, the Company used cash of $0.3 million to fund operating activities and cash of $0.9 million on its resource property expenditures, primarily on the Company's Nyanza property (see section 1.14). The Company collected previously outstanding subscriptions receivable of $0.1 million during the six-month period. During the three-month period ended April 30, 2012, the Company used cash of approximately $22,000 on its operating activities and incurred approximately $136,000 to fund exploration activities.

On October 28, 2011, the Company completed a private placement financing of 6,000,000 units at a price of $0.25 per unit, for aggregate gross proceeds of $1.5 million. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.35 until October 28, 2013. The expiry of the warrants may be accelerated by the Company if the Company's shares trade above $0.50 for twenty consecutive trading days. Total costs associated with the private placement were $81,150, including cash paid for commissions of $37,187, legal and regulatory fees of $6,775 and 148,750 units issued as finder's fees valued at $37,188. Officers and directors of the Company subscribed for 350,000 of the units pursuant to the private placement. Unit subscriptions receivable of $102,988 related to this financing were received during November 2011.

On February 24, 2011, the Company completed a non-brokered private placement of 3,333,333 common shares priced at $0.30 per share, for aggregate gross proceeds of $1.0 million. Share issuance costs to complete the financing were $11,660. Officers and directors of the Company subscribed for 1,666,666 common shares pursuant to the private placement.

Proceeds of the private placements were used to fund the Nyanza Project, strategic property acquisitions and for working capital purposes. Funds were also used to maintain the Company's properties in good standing.

Subsequent to the end of the period, the Company announced a non-brokered private placement financing of up to $1,100,000, consisting of 11,000,000 common shares of the Company issued at $0.10 per share. Net proceeds of the private placement will be used to fund exploration of the Company's properties, strategic property acquisitions and for general working capital purposes.

The Company's objective is to maintain legal title to its key mineral properties and to advance exploration activities and/or acquire new mineral projects of strategic significance. Failure to continue to operate as a going concern could result in the loss of its interest in its resource properties and/or the indefinite suspension of its exploration activities. The Company's financial statements and management's discussion and analysis do not reflect the adjustments to the carrying values of assets that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

The Company believes that the recently-acquired Nyanza Project in Kenya is an asset of strategic significance and has initiated an exploration program and anticipates increasing exploration activities on this large land package in the future. The Company will require additional funding to continue its exploration programs beyond the recently-completed Phase 1 program consisting of soil sampling, geophysics and drilling programs. Management is evaluating alternatives to secure

additional financing so that the Company can continue to operate as a going concern. Nevertheless, there is no assurance that these initiatives will be successful or sufficient.

1.7 Off-Balance Sheet Arrangements

At April 30, 2012, the Company had no material 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.

1.8 Disclosure Controls and Internal Controls Over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that material information is gathered and reported to senior management to permit timely decisions regarding public disclosure and to provide reasonable assurance that the information required to be disclosed in reports that are filed or submitted under Canadian securities legislation is recorded, processed, summarized, and reported within the time period specified in those rules.

The Chief Executive Officer and the Chief Financial Officer have also designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

It should be noted that a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected.

There were no changes in internal controls over financial reporting during the period ended April 30, 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

1.9 Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and notes. Critical accounting estimates used in the preparation of the consolidated financial statements include the Company's estimate of recoverable value of its mineral properties and related deferred expenditures, the value of stock-based compensation and the valuation of deferred income tax assets and liabilities. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The Company's recoverability of the recorded value of its mineral properties and associated deferred expenses is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is dependent on a number of factors, including environmental, legal and political risks, the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development and future profitable production or the proceeds of disposition thereof.

The factors affecting share-based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend upon a variety of factors, including the market value of the Company's shares and the financial objectives of the share-based instrument holders.

Deferred income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the balance sheet and their corresponding tax values. Deferred income tax assets also result from unused loss carry-forwards and other deductions. The valuation of deferred income tax assets is adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount.

1.10 Transactions with Related Parties

There were no material transactions with related parties during the period ended April 30, 2012. Refer to section 1.16 for related party transactions subsequent to the end of the period.

1.11 Conversion to International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board announced that accounting standards in Canada are to converge with International Financial Reporting Standards and companies will begin reporting, with comparative data, under IFRS for fiscal years beginning on or after January 1, 2011. The Company's transition date of November 1, 2010 (the "Transition Date") required restatement to IFRS for comparative purposes of amounts previously reported under Canadian GAAP by the Company for the year ended October 31, 2011, including a revised opening balance sheet as at November 1, 2010.

IFRS is based on a conceptual framework that is similar to Canadian GAAP; however, significant differences exist in certain areas of presentation, recognition, measurement, and disclosure. While the adoption of IFRS did not have a material impact on reported cash flows, it did have an impact on the balance sheets and statements of operations and comprehensive loss.

An explanation of how the transition from Canadian GAAP to IFRS has affected the Company's balance sheet, financial performance and cash flows is set out in the following tables and accompanying notes.

IFRS 1, *First-time Adoption of International Financial Reporting Standards,* sets forth guidance for an entity's initial adoption of IFRS. IFRS 1 gives entities adopting IFRS for the first time a number of optional and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. The following are the optional exemptions available under IFRS 1 that the Company has elected to apply to its opening IFRS balance sheet dated November 1, 2010:

Share-based payments
The election allows the application of IFRS 2, *Share-Based Payments*, only to equity instruments granted after November 7, 2002 that had not vested by the Transition Date.

The Company elected not to apply the remaining optional exemptions available at the time of transition from Canadian GAAP to IFRS.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS consolidated balance sheet as at the Transition Date are consistent with those made under Canadian GAAP.

IFRS 1 requires an entity to reconcile equity and comprehensive income for certain prior periods. The following represents the reconciliations from Canadian GAAP to IFRS for the respective periods for comprehensive income and equity.

<u>Comprehensive income</u>

The following is a summary of transition adjustments to the Company's comprehensive income from Canadian GAAP to IFRS:

		Year ended October 31, 2011	Three-months ended April 30, 2011	Six-months ended April 30, 2011
		$	$	$
Comprehensive loss - Canadian GAAP		(695,965)	(158,415)	(327,436)
IFRS adjustments increase (decrease)				
Share-based compensation	(a)	78,221	31,704	52,294
Comprehensive loss - IFRS		(617,744)	(126,711)	(275,142)

Equity

The following is a summary of transition adjustments to the Company's shareholders' equity from Canadian GAAP to IFRS:

		October 31, 2011 $	April 30, 2011 $	November 1, 2010 $
Equity - Canadian GAAP		11,353,080	10,208,781	9,377,212
IFRS adjustments increase (decrease)				
Share-based compensation	(a)	23,747	27,415	30,735
Equity - IFRS		11,376,827	10,236,196	9,407,947

The transition from Canadian GAAP to IFRS resulted in changes to certain accounting policies to be consistent with IFRS, and the Company expects these policies to be effective and available on October 31, 2012, the Company's first annual IFRS reporting date. The following summarizes the significant changes to the Company's accounting policies on adoption of IFRS.

a) Stock-based compensation

Under IFRS, each tranche of a stock-based award with different vesting dates is considered a separate grant for the calculation of fair value, and the resulting fair value was amortized over the vesting period of the respective tranches. Forfeiture estimates are recognized in the period they were estimated, and revised for actual forfeitures in subsequent periods.

Under Canadian GAAP, the fair value of stock-based awards with graded vesting was calculated as a single grant and the resulting fair value was recognized over the vesting period for the grant. Forfeitures were recognized as they occurred. As a result of the conversion to IFRS, resource properties, contributed surplus, loss, and deficit balances were adjusted in the included schedules. Resource properties, contributed surplus and the deficit increased by $30,735, $130,985 and $100,250, respectively at the Transition Date. Additionally, share-based compensation expense decreased by $31,704 and $52,294 for the three and six-months ended April 30, 2011, and by $78,221 for the year-ended October 31, 2011.

b) Flow-through shares

Under IFRS, the proceeds received from the issuance of flow-through shares must be allocated between share capital and the obligation to deliver the tax deduction. This allocation is based on the difference between the quoted price of the Company's non-flow-through shares and the amount the investor pays for the flow-through shares.

Under Canadian GAAP, share capital is reduced by the amount of the estimated tax benefit transferred to investors. The renunciation of expenditures associated with all flow-through shares issued by the Company was completed and recognized in accordance with Canadian GAAP prior to the Transition Date. As a result, both share capital and the Company's deficit increased by $565,000 at the Transition Date.

1.12 Risks and Uncertainties

The Company's financial instruments consist of cash, marketable securities, accounts receivable, and accounts payable. Management does not believe these financial instruments expose the Company to any significant credit risks, with the exception of the fact that a significant portion of the Company's cash and cash equivalents are on deposit with a major Canadian chartered bank, and all of the sales taxes recoverable are with either the government of Mexico or Canada. A significant portion of the Company's transactions occur in United States, Kenyan and Mexican currencies. Accordingly, the related financial assets and liabilities are subject to fluctuations in the respective exchange rates. The Company has cash and cash equivalents and no interest-bearing debt; accordingly, the Company's interest income is susceptible to fluctuations in interest rates. The fair market values of these financial instruments, with the exception of the marketable securities, approximate their carrying values, unless otherwise noted.

The Company's activities are primarily directed towards the exploration for and the development of mineral deposits. The exploration for, and the development of, mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge cannot eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical and unpredictable; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of metals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or abandoning or delaying the development of a mineral project. There is no certainty that the expenditures made by the Company towards the search for and evaluation of mineral deposits will result in discoveries of commercial quantities of such metals.

In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure and easy access. The Company's non-Canadian property interests are located in Kenya and Mexico, countries with social, political and economic policies that differ from Canada's. Although the Company believes the current conditions in these countries are stable and conducive to conducting business, there is no assurance that such conditions will continue to prevail. Government policies may change to discourage foreign investment or mining; nationalization of mining industries may occur; and other unforeseen limitations, restrictions or requirements may be implemented. There can be no assurance that the Company's assets will not be subject to nationalization, expropriation, requisition or confiscation, whether legitimate or not, by any authority or body. There can also be no assurance that adverse developments such as terrorism, military repression, civil unrest, crime, extreme fluctuations in currency exchange rates, or high inflation will not occur.

The prices of metals fluctuate widely and are affected by many factors outside of the Company's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. The Company relies on equity financing for its long-term working capital requirements and to fund its exploration programs. The Company does not have sufficient funds to put any of its resource interests into production from its own financial resources. There is no assurance that such financing will be available to the Company, or that it will be available on acceptable terms.

1.13 Outstanding Share Data

a) Common Shares

The Company has authorized an unlimited number of common shares without par value.

- At April 30 and June 13, 2012, the Company had issued and outstanding 63,431,934 common shares with a recorded value of $20,712,545.

During the six-month period, the Company received subscriptions receivable related to 411,950 common shares and issued 949,658 common shares to African Queen Mines Limited ("African Queen") in connection with a settlement agreement announced on November 28, 2011. The settlement agreement related to a dispute over certain mineral claims within the Nyanza Project and included the acquisition of certain project-related data by the Company from AQ for US$500,000, of which US$200,000 was settled through the issuance of 949,658 common shares of the Company.

b) Warrants

- At April 30, 2012 and June 13, 2012, the Company had issued and outstanding 3,074,375 warrants with a recorded value of $318,508. The warrants are exercisable at $0.35 until October 28, 2013. The expiry of the warrants may be accelerated by the Company if the Company's shares trade above $0.50 for twenty consecutive trading days.

c) Stock Options

- At April 30, 2012, the Company had 5,850,000 stock options outstanding, exercisable into common shares of the Company at an average exercise price of $0.30 per share, expiring between January 31, 2013 and January 12, 2017.
- At June 13, 2012, the Company had 5,162,500 stock options outstanding, exercisable into common shares of the Company at an average exercise price of $0.30 per share, due to the forfeiture of certain stock options subsequent to the end of the period.

1.14 Deferred Resource Property Expenditures

Details of the Company's deferred resource property expenditures during the three and six-month periods ended April 30, 2012 are included in Schedules "A" and "B", respectively.

During the six-month period ended April 30, 2012, the Company incurred deferred exploration expenditures of $1,206,249, of which $1,163,479, or 96%, was incurred on the Nyanza Project in Kenya, including $508,820 (US$500,000) for the acquisition of certain technical information acquired from African Queen Mines Ltd. Minimal costs were incurred on the Company's La Morena, Seymour Lake and KM61 properties during the six-month period, as the focus of the Company's exploration efforts was on the Nyanza Project.

During the current quarter, $240,921 was incurred by the Company on exploration expenditures, including $213,879, or 89%, in Kenya.

Kenya

Stockport has the right to earn an 80% interest in mineral exploration licenses and license applications that have received preliminary approval, which together cover approximately 1,288 square kilometres (the "Nyanza Project"), by incurring exploration expenditures of US$4.0 million and making cash payments to its partners totaling US$300,000. Stockport can increase its interest in these licenses to up to 95% should its partners, two privately-owned companies, choose for Stockport to fund certain expenditures beyond Stockport's initial US$4.0 million earn-in.

Stockport has also received preliminary approval for the Sotik License, located approximately 40 kilometres east of the Company's Nyanza Project and outside of the area of interest ("AOI"), where final approval is pending for a license covering 658 square kilometres. Upon receipt of the final license approval, Stockport will own a 100% interest in the Sotik license, where preliminary reconnaissance has discovered at least six artisanal and colonial workings in the central part of the license alone.

Nyanza Project

During the six-month period ended April 30, 2012, Stockport's joint venture partner, B&M, reached a settlement agreement relating to a dispute over certain mineral claims within the Nyana Project. Stockport consented to and was a party to the Agreement.

Pursuant to the terms of the Agreement, Stockport's partner, B&M, remains the beneficial owner of Special License No. 214 covering an area of 15 square kilometers in the Rongo area, Migori District, Kenya ("SPL 214"), subject to a 2% NSR which was granted as part of the Agreement. The Agreement was approved by the Commissioner of Mines and Geology of the Government of the Republic of Kenya, Mr. Moses N. Masibo.

In connection with the Agreement, Stockport acquired technical information pertaining to SPL 214 and agreed to reimburse African Queen US$500,000 as follows:

i. US$150,000 paid in December 2011;
ii. US$200,000 paid in December 2011 through the issuance of 949,658 common shares of Stockport; and
iii. US$150,000 payable by December 12, 2012 (accrued in the financial statements).

Stockport's Nyanza Project exploration program was initiated in Q2 2011 and continued during the first and second quarters of 2012. The initial program included soil sampling, geophysics and an initial drill program of 3,000 metres of diamond drilling including approximately 1,200 metres of drilling completed in nine drill holes during Q1 2012.

The results of the drilling intersected the Farm 2 vein system over a strike length of approximately 180 metres, and initially indicate what is interpreted as a stacked quartz vein system over a total of width of approximately 50 metres. The remaining assays for KE-11-12 to KE-11-15 (Nyabola and Nyahera targets, Kanga Grid) and KG-11-04 to KG-12-07 (Farm 2 target, Kamwango Grid) are expected to be released during the third quarter.

During the current quarter, Stockport completed approximately 30 line km of induced polarization ("IP") geophysical surveying, and collected 88 samples of quartz pebble lag over the Kamwango area. The IP survey was successful in delineating four discrete resistivity high anomalies in the central and western part of the grid, and partly detecting several anomalous areas on the east side of the gird. These resistivity highs are thought to be caused by intense quartz veining or silicification associated with gold mineralizing systems. The IP survey also detected a strong chargeability high located approximately 50 metres west of the drilling completed at the Farm 2 target, suggesting that the Farm 2 veins may actually occur on the flank of the mineralizing system and that the core is located further west.

The quartz vein pebble lag sampling returned very positive and consistent results, with a high percentage of samples carrying gold values, up to 8.1 g/t Au. The lag was mapped out over an area of approximately 0.7 km^2, and averaged (in the initial batch of 25 samples) 1.3 g/t Au over an average thickness of 0.7 metres. As an exploration vector (which was the initial purpose of collecting the samples), it was noted that the highest lag grades are clustered over three of the strong resistivity anomalies from the IP survey, further indicating their potential as gold-bearing systems.

Planning is in progress for an expanded lag sampling program, which will use a shallow auger-type drill to recover the full thickness of the lag blanket, which has been observed up to 1.6 metres in thickness. The program will comprise approximately 400 holes, intended to gather enough data to estimate the extent of these at-surface deposits. Additional diamond or RC drilling is planned for the IP targets on the grid, as well as to test several promising base metal massive sulphide targets that are currently being investigated. The overall scope and scale of the 2012 exploration program will be determined based on these drill results and the overall financing environment.

KM61

The Company holds a 100% interest in the KM61 molybdenum-copper-silver project, located near Armstrong, Ontario. An independent 43-101 Mineral Resource Estimate for the Main Zone at KM61 was completed in December 2008, with an indicated resource of 66.6 million tonnes at 0.053% Mo, 0.09% Cu, and 2.6 g/t Ag (0.063% molybdenum equivalent) and an inferred resource of 38.9 million tonnes at 0.054% Mo, 0.09% Cu, and 2.7 g/t Ag (0.065% molybdenum equivalent). Please refer to the Company's NI 43-101 Technical Report filed on SEDAR on January 22, 2009 for further details.

The property is subject to a 0.5% NSR over five claims, including the mineralized zone. The majority of two additional claims are also subject to the 0.5% NSR, with relatively small portions subject to a 3% NSR. The remaining KM61 claims are not subject to any royalty. The Company can repurchase 50% of the 0.5% NSR for $250,000 and/or 50% of the 3% NSR for $1,000,000.

While the Company believes that the long-term prospects for molybdenum prices and the KM61 project remain positive, the Company is not planning any additional work on the project at this time. The Company is seeking a joint venture or strategic partner to advance the project and will continue to maintain the KM61 property in good standing. As a result and in light of market conditions, during the six-month period ended April 30, 2012, the Company recognized an impairment write-down of $4.4 million related to its interest in the KM61 property.

Seymour Lake

The Company holds a 100% interest in the Seymour Lake lithium-tantalum-beryllium property, located near Armstrong, Ontario. Certain portions of the Seymour Lake property are subject to a 3% NSR, of which 1.5% can be repurchased by the Company for $1,000,000.

The Company had previously entered an agreement with a private company pursuant to which the Company granted an option to earn a 70% interest in the Seymour Lake Property. During the six-month period, the optionee did not make certain payments required pursuant to the option agreement, and the agreement has been cancelled.

Canada Other

On November 4, 2010, the Company entered into two separate option agreements to acquire up to a 100% interest, subject to certain net smelter royalties, in two early-stage exploration properties in Ontario, Canada by making payments and incurring exploration expenditures over a two-year period. During the period, the Company signed a formal agreement with Greencastle Resources Ltd. ("Greencastle"), whereby the Company signed all right, title, and interest in and to the option of its two early-stage exploration properties located in Ontario, Canada. Consideration by Greencastle for the assignment of the option agreements consisted of an initial payment of $20,000 and issuance to the Company of 100,000 common shares of Greencastle, valued at $12,000. On the first anniversary of the agreement, Greencastle may elect to continue the options and make a final payment to the Company of up to $20,000 and an additional 100,000 common shares of Greencastle. The properties are subject to a 2% net smelter royalty. Greencastle has the option to purchase half of each royalty for $1,000,000 and has granted the Company the right to purchase 25% of this purchased royalty for $500,000.

La Morena

The Company holds a 100% interest in the La Morena copper-silver property located in the state of Coahuila, Mexico. During 2010, the Company carried out an exploration program on the La Morena project that included the re-establishment of a historical grid in the La Diana area and the establishment of a new grid in the unexplored El Refugio area to the north. Approximately 20 kilometres of Induced Polarization ("IP") surveying were completed on the La Diana grid and 12 kilometres were completed on the El Refugio grid. An approximate 1,500 metre drill program was completed to test anomalies identified through the IP survey as well as mineralized horizons and structures identified in some of the old artisanal mine workings on the Refugio Grid. The drill program returned encouraging results with several high grade but narrow intersections (e.g. 0.3 metres @ 397 g/t Ag, 11.9% Pb, and 12.1% Zn; 2.45 metres @ 179 g/t Ag, 3.6% Pb) within larger zones of low-grade Ag-Pb-Zn mineralization that warrant follow-up drilling.

Additionally, a deep IP target remains untested on the Diana Grid, where two flanking holes returned significant Cu-Ag intersections in a 2005-2006 drill program (21.2 metres @ 1.4% Cu, 140.4 g/t Ag, and 218 g/t Ag over 23 metres). The target is also a high priority for additional drilling and the Company is seeking joint venture or strategic partners to advance this project.

1.15 Management Changes

In April 2012, the Company announced the appointment of Mr. Jim Megann as President and Chief Executive Officer. Mr. Megann replaced Mr. Brian MacEachen, who remains on the Board of the Company.

1.16 Subsequent Events

Subsequent to the end of the period, the Company announced a non-brokered private placement financing of up to 11,000,000 common shares at $0.10 per share, for total gross proceeds of up to $1,100,000. All securities issued pursuant to the private placement will be subject to a four-month hold period. The financing is scheduled to close on or before June 15, 2012.

Subsequent to the end of the period, a director of the Company provided debt financing in the amount of $75,000 to the Company in the form of a demand loan, bearing interest at an annual rate of 10%.

1.17 Other Information

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

STOCKPORT EXPLORATION INC.

Schedule "A"

Schedule of Resource Properties
For the three-month period ended April 30, 2012

Details of Resource Properties

	Kenya	KM61	Seymour Lake	Canada Other	La Morena	April 30, 2012
Mineral Properties						
Balance, beginning of period	$ 17,045	$ 23,205	$ 70,937	$ 5,000	$ 6,041	$ 122,228
Expenditures during period	2,538	-	-	5,000	-	7,538
Balance, end of period	19,583	23,205	70,937	10,000	6,041	129,766
Deferred Exploration expenditures:						
Drilling	11,082	-	-	-	-	11,082
Geology	171,887	2,400	694	1,000	17,948	193,929
Geophysics	28,372	-	-	-	-	28,372
	211,341	2,400	694	1,000	17,948	233,383
Balance, beginning of period	2,177,165	3,976,795	1,054,779	-	726,031	7,934,770
Balance, end of period	2,388,506	3,979,195	1,055,473	1,000	743,979	8,168,153
	2,408,089	4,002,400	1,126,410	11,000	750,020	8,297,919
Option payments received	-	-	-	(11,000)	-	(11,000)
Impairment write-down	-	-	-	-	-	-
Mineral properties and deferred exploration expenditures	$ 2,408,089	$ 4,002,400	$ 1,126,410	$ -	$ 750,020	$ 8,286,919

STOCKPORT EXPLORATION INC.

Schedule "B"

Schedule of Resource Properties

For the six-month period ended April 30, 2012

Details of Resource Properties

	Kenya	KM61	Seymour Lake	Canada Other	La Morena	April 30, 2012
Mineral Properties						
Balance, beginning of the period	$ 17,045	$ 23,205	$ 70,937	$ 5,000	6,041	$ 122,228
Expenditures during the period	2,538	-	-	5,000	-	7,538
Balance, end of the period	19,583	23,205	70,937	10,000	6,041	129,766
Deferred Exploration expenditures						
Drilling	314,574	-	-	-	-	314,574
Geochemistry	87	-	-	-	-	87
Geology	806,807	6,400	6,879	1,000	23,491	844,577
Geophysics	39,473	-	-	-	-	39,473
	1,160,941	6,400	6,879	1,000	23,491	1,198,711
Balance, beginning of the period	1,227,565	8,377,968	1,048,594	-	720,488	11,374,615
Balance, end of the period	2,388,506	8,384,368	1,055,473	1,000	743,979	12,573,326
	2,408,089	8,407,573	1,126,410	11,000	750,020	12,703,092
Option payments received	-	-	-	(11,000)	-	(11,000)
Impairment write-down	-	(4,405,173)	-	-	-	(4,405,173)
Mineral properties and deferred exploration expenditures	$ 2,408,089	$ 4,002,400	$ 1,126,410	$ -	$ 750,020	$ 8,286,919