TORO

RESOURCES CORP

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED MARCH 31, 2014

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Toro Resources Corp. (the "Company") as prepared at May 29, 2014, constitutes management's review of the factors that affected the Company's financial and operating performance for the nine months ended March 31, 2014. This MD&A was written to comply with the requirements of National Instrument 51-102 Continuous Disclosure Obligations.

This discussion should be read in conjunction with the Company's condensed interim financial statements for the three and nine months ended March 31, 2014 and the audited consolidated financial statements for the year ended June 30, 2013 together with the notes thereto. In the opinion of management all adjustments considered necessary for a fair presentation have been included.

Additional information regarding the Company and its activities is available on SEDAR at www.sedar.com, and also on the Company's web site at www.tororesources.com, or by requesting further information from the Company's head office located in Kelowna, British Columbia, Canada.

Forward Looking Statements

Statements in this report that are not historically based fact are forward looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably from these statements. Readers are cautioned not to place undue reliance on forward-looking statements. All amounts following are expressed in Canadian dollars unless otherwise stated.

Overview and Overall Performance

The Company was incorporated under the provincial laws of British Columbia, Canada, on June 30, 2005. The Company's common shares are listed on the Toronto Venture Exchange ("TSX") under the symbol "TRK". The Company is in the business of acquiring mineral properties for exploration to determine whether these properties contain economically recoverable ore reserves. The recoverability of any amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable reserves and the ability of the Company to obtain necessary financing by way of joint venture, equity financing, option agreements or by other means required to complete the development of the properties and upon future profitable production. To date, the Company is considered to be in the exploration stage and has yet to earn revenues.

Morgan Peak Property

Located in Arizona, USA, the Morgan Creek Property is situated in the Tonto National Forest accessible directly from highway 60 in Gila County, a short distance from the historic mining community of Globe-Miami. The project is less than 8 kilometers (5 miles) from Quadra FNX Mining's Carlota Mine, the Pinto Valley Copper Mine acquired by Capstone Mining Corp from BHP for $650m in 2013, and Freeport McMoRan's Miami complex.

On December 31, 2009, the Company entered into a letter of intent with MinQuest Inc. ("MinQuest") to acquire a 100% undivided interest in the Morgan Peak Property. The property, which has had an active exploration history dating back to the 1950's, is comprised of 101 unpatented mineral claims covering a total of 2,020 acres. Upon execution of the letter of intent the Company paid a $10,862 (US$10,000) non-refundable deposit to MinQuest.

On February 1, 2010, the Company entered into a definitive mineral property agreement with MinQuest respecting the option to acquire a 100% interest in the Morgan Peak Property subject to a 3% Net Smelter Royalty (the "Morgan Peak Option Agreement").

On March 9, 2010, the Company incorporated a wholly owned subsidiary, Toro Resources Inc. ("TRI") a company incorporated in Nevada, for the purpose of holding its mineral property interests located in the USA. The Company then transferred all of its right, title and interest in and to the Morgan Peak Option Agreement to TRI. In order to earn the 100% interest, TRC is required to issue an aggregate of 3,000,000 shares of common stock and TRI is required to make cash payments to MinQuest totaling US$1,000,000, and incur an aggregate of US$4,300,000 in exploration expenditures over an eight year period through to February 2018.

On June 6, 2012, the Company negotiated an amendment to the original agreement whereby the deadline for the 2012-2013 exploration expenditures of $450,000 was extended by one year to February 1, 2014 resulting in a required total of $950,000 in exploration expenditures in the 2013-2014 period. The Company is also required to make annual cash payments over eight years totaling US$665,000 to another party, through to December 2017. In December of 2013, due to unfavorable market conditions the Company negotiated a further amendment to the original agreement whereby all annual payments will fall due on the first of February and exploration expenditure commitments have been restructured so that the Company is obligated to make expenditures of $450,000 in the 2014-2015 year. All requisite exploration expenditures have effectively been pushed forward by two years from the original agreement. Further to this, the Company has a standing agreement with the vendors to delay payments and work commitments until July 1, 2014.

As at May 29, 2014, the Company has made cash payments of $186,208 (US$170,000) and issued 1,150,000 common shares valued at $155,000 pursuant to the terms of the Morgan Peak Option Agreement.

In September of 2010 the Company, implemented an evaluation and mapping program by Dr. Warren Pratt who confirmed the presence of significant copper mineralization across an area of roughly 3 km x 0.8 km. This program resulted in the discovery of the "Birthday Zone", a prospective untested target showing great promise. An aerial survey over approximately 1,500 hectares at Morgan Peak produced air photos, a topographic map with 1 m contours and an orthophotos map of the claim at a scale of 1:1000. The Company has also completed an airborne photogrammetry survey. This survey has provided digital photo images to generate 2D and 3D topographic maps and orthophotos used for geologic mapping, drill whole locations and resource modeling.

On August 25, 2011 the Company was issued a permit for an exploration drilling program on the southern and eastern portions of the project area with 27 drill sites under a Plan of Operation.

On July 11, 2013, the Company entered into a letter of intent (the "Letter Agreement") whereby PBar Land and Minerals, LLC, ("PBar") upon completion of a formal option agreement (the "Option"), has the right to earn up to a 51% interest in the Morgan Peak copper project ("Morgan Peak"). PBar is private mineral exploration company located in Phoenix, Arizona. The option agreement has subsequently been terminated as the terms could not be met by PBar.

Financial Results for the Nine months ended March 31, 2014

During the nine months ended March 31, 2014, the Company incurred a net loss of $211,022 (2013 - $149,541). As at March 31, 2014, the Company had cash and cash equivalents of $36,739 and a working capital deficiency of $421,054 (2013 - cash $21,581, working capital deficiency of $106,504).

Total G&A expenses of $205,250 for the nine months ended March 31, 2014 showed an increase over the comparative period ended March 31, 2013 ($148,457). The increase was due primarily to accrued Management Fees of $135,000 (2013 - $74,000) and the recording of share based compensation expense of $21,016 (2013 $Nil) for the period. Professional fees were also significantly higher as a result of the Company entering into a Letter of Intent with PBar Minerals PLC. Office and rent expenses were substantially less during the nine months ended March 31, 2014 than the comparable expenses from March 2013. Morgan Peak exploration and acquisition cash costs during the nine months ended March 31, 2014 were $16,781 compared to $15,866 in 2013.

Management continues to evaluate its' financing alternatives and to explore alternative sources of financing in the form of debt, equity or a combination thereof in what has proven to be very challenging equity markets for the resource sector in general and the junior exploration companies in particular. Management will continue to monitor spending and assess results on an ongoing basis and appropriate changes will be implemented where appropriate.

Summary of Quarterly Results

Quarter Ended	**March 31, 2014**	December 31, 2013	September 30, 2013	June 30, 2013
Total Assets	**$ 1,077,947**	$ 1,084,148	$ 1,100,768	$ 1,104,032
Working capital (deficiency)	**(421,054)**	(363,729)	(289,964)	(214,267)
Net income (loss) for the period	**(58,265)**	(77,344)	(74,578)	(107,379)
Basic and diluted loss per common share	**(0.01)**	(0.01)	(0.01)	(0.01)

Quarter Ended	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
Total Assets	$ 996,037	$ 1,016,330	$ 1,055,995	$ 1,075,709
Working capital	(106,504)	(26,945)	26,084	75,130
Net income (loss) for the period	(82,806)	(31,918)	(30,327)	(66,970)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.01)	(0.01)

Selected Annual Information

The Company has had the following history of annual net and comprehensive losses: 2013 ($252,430), 2012 ($221,445), 2011 ($370,316), 2010 ($240,360), 2009 ($211,273), 2008 (136,073), 2007 (162,417), 2006 (33,911).

The accumulated deficit recorded as at June 30, 2013 is ($1,628,225) ($1,375,795 at June 30, 2012).

For the year ended June 30,	**2013**	2012	2011
Net loss and comprehensive loss	**$ (252,430)**	$ (221,445)	$ (370,316)
Total assets	**1,104,032**	1,075,709	1,221,873
Total liabilities	**304,556**	94,328	79,047
Shareholders Equity	**799,476**	981,381	1,142,826
Basic and diluted loss per common share	**($0.01)**	($0.01)	($0.02)

Related Party Transactions

Compensation costs for related parties for the nine months ended March 31, 2014 and 2012 are:

		March 31, 2014		March 31, 2013
Wages and consulting fees accrued for key management personnel	**$**	**135,000**	$	74,000
Share-based expense for options granted to key management personnel		**13,510**		9,909
	$	**148,510**	$	83,909

Included in accounts payable and accrued liabilities at March 31, 2014 is $320,280 - (March 31, 2013 - $144,780) for consulting fees owing to officers and companies controlled by officers. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

On April 26, 2013, the Company announced it had secured an interim loan of $100,000 with interest of 5% per annum, calculated monthly, from RD Capital Inc., a company controlled by Dev Randhawa, Chairman and CEO. The short term financing ensures that the Company can meet its current commitments on the Company's Morgan Peak Copper Project. On May 21, 2013 the Company issued 400,000 loan bonus shares to RD Capital Inc. valued at $0.05 per share. Interest expense of $5,000 has been accrued as at March 31, 2014.

Outstanding Share Data

No shares were issued during the nine months ended March 31, 2014. As at May 29, 2014 the Company had 24,198,636 common shares issued and outstanding.

During the nine months ended March 31, 2014, there were 2,050,000 incentive stock options outstanding with exercise prices ranging from $0.10 to $0.20 per share.

Liquidity and Capital Resources

The Company is engaged in the acquisition, exploration and development of mineral properties and has yet to determine whether its properties contain mineral resources that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets, including acquisition costs and related exploration and evaluation costs, are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. The Company expects to rely upon equity financing and/or joint venturing project development as primary sources of funding. The Company's ability to continue as a going concern is dependent upon successful completion of additional financing and upon its ability to attain profitable operations.

The accompanying condensed interim consolidated financial statements for the three and nine months ended March 31, 2014 have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The interim consolidated financial statements for the three and nine months ended March 31, 2014 do not give effect to any adjustments that would be necessary should the Company not be able to continue as a going concern. The Company is actively pursuing joint venture partners and has minimized its exploration activities and over-all operations in an effort to conserve cash.

Contractual Obligations and Commitments

The Company has no significant contractual obligations or commitments with any parties respecting executive compensation, consulting arrangements, rental premises or other general matters. The company does have significant obligations due on the Morgan Peak property as disclosed in the consolidated financial statements under Note 7 - *Exploration and Evaluation Assets*.

Financial Instruments

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and are measured at amortized cost. The fair values of these financial instruments approximate their carrying values unless otherwise noted.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IAS 3 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Accounts that require significant estimates as the basis for determining the stated amounts include exploration and evaluation assets and share-based compensation. The assessment of any impairment of exploration and evaluation assets is based on the estimated recovery of future exploitation or sale where the activities have not reached a stage which permits a reasonable assessment of existence of reserves. Share-based compensation expense is calculated using Black-Scholes valuation model which requires significant judgment as to considerations such as stock option lives and stock volatility.

Significant Accounting Policies

A summary of the Company's significant accounting policies is included in Note 3 of the audited financial statements for the years ended June 30, 2013 and have been consistently applied to the financial statements for the three and nine months ended March 31, 2014.

New Standards, Amendments and Interpretations

The IASB issued the following pronouncements that are effective for years beginning January 1, 2013 or later. These new accounting policies were adopted by the Company on July 1, 2013 and have had no significant impact on the Company's financial position and results of operation.

IAS 1 – *Presentation of Financial Statements*

IAS 24 – *Related Party Disclosures*

IFRS 7 - *Financial Instruments: Disclosures*

IFRS 10 – *Consolidated Financial Statements*

IFRS 12 – *Disclosures of Interests in Other Entities*

IAS 12 – *Deferred Tax*

IAS 28 – *Investments in Associates*

IFRS 11 – *Joint Arrangements*

IFRS 13 – *Fair Value Measurement*