



MAINSTREAM MINERALS CORPORATION

MANAGEMENT'S DISCUSSION and ANALYSIS

for the THIRD QUARTER ended

AUGUST 31st, 2013

October 29th, 2013

MAILING ADDRESS & EXECUTIVE OFFICE:

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MANAGEMENT'S DISCUSSION & ANALYSIS

The following discussion and analysis, as prepared by management, reviews Mainstream Minerals Corporation's ("Mainstream Minerals" or the "Corporation" or the "Company" or "MJO" – the trading symbol assigned to the Corporation's common shares by the TSX Venture Exchange Inc.) financial condition and results of operations for the third quarter ended August 31st, 2013, and the subsequent period from September 1st, 2013 to October 29th, 2013. Selected annual and quarterly financial information is included in order to assist the reader in better understanding the financial condition and results of operations of the Corporation. This Management Discussion and Analysis ("MD & A") should be read in conjunction with: (i) the comparative audited financial statements for the years ended on November 30th, 2012 and 2011; (ii) the condensed interim management-prepared financial reports for the three quarters respectively ended on August 31st, May 31st and February 28th, 2013; and (iii) the audited financial statements for the four years ended November 30th, 2011, 2010, 2009, and 2008. The most recent Annual Information Form is dated May 14th, 2013 for the fiscal year ended November 30th, 2012 and was filed on www.sedar.com on May 16th, 2013.

All of the financial statements up to November 30th, 2011 were prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The comparative audited financial statements for the years ended November 30th, 2012 and 2011 and the condensed interim management-prepared financial reports for the three quarters respectively ended on August 31st, May 31st and February 28th, 2013 were prepared in accordance with the newly instituted International Financial Reporting Standards ("IFRS") for publicly accountable profit-oriented enterprises. The changeover to IFRS for financial statements for fiscal years commencing on or after January 1st, 2011 represents a change due to the implementation of these new accounting standards. These new accounting standards have affected the Corporation's reported financial position and results of operations starting with the first quarter of fiscal 2012. In 2010, the Corporation initiated an IFRS conversion plan to address the impact of the changes for its accounting policies, restatement of comparative periods, internal controls, and any required changes to business processes.

This discussion provides management's analysis of the Corporation's historical financial and operating results and provides estimates of the Corporation's future financial and operating performance based on information that is currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars.

Additional information on the Corporation is available on SEDAR at www.sedar.com and on the Corporation's website at www.mainstreamminerals.com

FORWARD LOOKING STATEMENT

Certain information set forth in this Management Discussion and Analysis ("MD & A"), including management's assessment of the Corporation's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond these parties' control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, potential conflicts of interest, stock market volatility and the ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Corporation's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Corporation will derive there from. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE OVERVIEW

Mainstream Minerals Corporation (“Mainstream Minerals”, the “Corporation”, the “Company” or “MJO” – the trading symbol assigned to the Corporation’s common shares by the TSX Venture Exchange upon commencement of trading on June 13th, 2007) was incorporated under the name Mainstream Minerals Corporation pursuant to the Canada Business Corporations Act (“CBCA”) on July 19th, 2006. The registered office of the Corporation is located at the offices of Taylor McCaffrey LLP 900 – 400 St. Mary Avenue, Winnipeg, Manitoba R3C 4K5. The mailing and executive office address of the Corporation is #139 – 99 Scurfield Boulevard, Winnipeg, Manitoba R3Y 1Y1. The Corporation has no subsidiaries.

At the present time, the Corporation has one mineral exploration property (for additional information on the development and exploration activities to date, see the section herein entitled *Ongoing Business Objectives and Key Properties*):

(i) the **Bobjo Mine Project**, formerly joint-ventured 50 / 50 with King’s Bay Gold Corporation (TSX.V: KBG), located in Earngey and Agnew Townships, Red Lake Mining Division, where Mainstream Minerals now has a 100 % interest in the project as per a Property Interests Exchange Agreement dated June 14th, 2010 (see the news release dated June 16th, 2010) and where the exploration target is first and foremost, gold;

In the quarter, the company has chosen not pursue further work on three properties, West Keefer Claims, Slate Lake Property and Birch Lake Property, in order to focus efforts and capital on its Bobjo Mine Project. As a result, the previously capitalized costs for these properties of \$403,678 have been written off in the quarter. Management has determined that the company’s efforts and limited capital should be focused exclusively on the Bobjo Mine Project where the 2007 Phase 1 and 2008 Phase 2 drilling programs had together so far intersected gold in twenty seven out of thirty two holes from surface to a depth of 312 metres, including high-grade gold in many intersections.

Due to weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors has decided to suspend all exploration activities to conserve capital. This has been in place since the late fall of 2012 and involves the curtailment of all exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets are more supportive of junior exploration projects.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund the balance of its 2013 operating and expenditures. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company’s ability to continue as a going-concern.

Since “going public”, the Corporation has completed several offerings, including the IPO Offering of June 12th, 2007, the three non-brokered private placements with the MineralFields Group (August 15th, 2007, December 19th, 2007, and December 29th, 2009), and seven non-brokered private placements (June 2nd, 2009, October 1st, 2009, June 4th, 2010, November 12th, 2010, April 15th, 2011, May 16th, 2012, and June 29th, 2012) with the net capital raised being used for administrative and organizational purposes and for the acquisition, exploration and development programs for the properties where it has or had land option and joint venture agreements. The Corporation announced in a news release on June 29th, 2012 that it had closed the second and final tranche of \$140,000 of a non-brokered private placement of \$500,000 that was initially announced on May 22nd, 2012, and the first tranche of which closed on June 8th, 2012 for \$295,000. An aggregate total of 8,700,000 Units, as described in the May 22nd, 2012 news release, were subscribed to at a purchase price of \$0.05 per Unit for aggregate gross proceeds of \$435,000. This was the Corporation’s most recently completed non-brokered private placement offering.

Key management personnel of the Corporation are – **David Reid**, a Director who was appointed as President & CEO and Interim Chief Financial Officer on October 11, 2013; and **Lisa McCormack** who was appointed as Corporate Secretary on March 15th, 2012. The Qualified Person as defined under National Instrument 43-101 for work performed at each property and / or project is subject to change from time-to-time on a go forward basis from the date of this document.

Through the exploration and development of its properties, the Corporation's longer-term goals are to identify and acquire economically viable ore deposits and to advance its projects to the feasibility stage.

BUSINESS ENVIRONMENT and OUTLOOK

When markets allow, the Corporation will expand its drilling, exploration and development activities to further support exploration both internally and in possible additional earn-in option agreements and joint ventures with other companies. Economic turmoil, stock market volatility and weak commodity prices are hampering the levels of capital inflows into the mining and mineral exploration industries as capital markets tightened dramatically once again for junior mineral exploration companies, a situation that continues. The mining and exploration industry is cyclical and Management firmly believes the sector will recover but in the interim the company will curtail all activities until the situation improves.

In spite of these macro-economic and junior mineral exploration industry specific problems, staking and drilling activity in and around the company's property by large and well established companies is continuing. With a continued focus on the exploration for gold, Management believes that going forward into the remainder of fiscal 2013 and beyond, subject to economic conditions, finances and the availability of equity financing, the longer term prospects for the Corporation should remain positive.

MINERAL RESOURCES and MINERAL RESERVES

The Corporation has no known mineral reserves as defined by and compliant with the requirements of National Instrument 43-101.

MINING OPERATIONS

The Corporation has no mining operations.

KEY DEVELOPMENTS from September 1st, 2012 to August 31st, 2013

The following is a brief description of the Corporation's key developments over a twelve month period from September 1st, 2012 to August 31st, 2013:

August 24th, 2012 – Computershare Trust Company of Canada, the Corporation's transfer agent, filed a Notice of Meeting on www.sedar.com to announce that the upcoming Annual and Special Meeting of Shareholders would be held on October 25th, 2012 in Winnipeg, Manitoba. The Record Date for Notice of Meeting and the Record Date for Voting were established as September 20th, 2012.

September 21st, 2012 – On this date, the Notice of Annual and Special General Meeting and Information Circular dated September 21st, 2012 relating to the upcoming Annual General Meeting of Shareholders of October 25th, 2012 was filed on www.sedar.com.

October 1st, 2012 – On this date, the Final Form of Proxy (Sample) relating to the upcoming Annual General Meeting of Shareholders of October 25th, 2012 was filed on www.sedar.com.

October 25th, 2012 – The Annual General and Special Meeting of Shareholders was held at 10:00 AM at the offices of Taylor McCaffrey LLP, Suite 900 – 400 St-Mary Avenue, Winnipeg, Manitoba.

October 31st, 2012 – Michael Romanik, Mainstream's President & CEO was pleased to announce in a news release the results from the Annual General and Special Meeting of Shareholders as was recently held in Winnipeg, Manitoba on October 25th, 2012. At the meeting, shareholders approved all of the resolutions put before them by management, including: (i) the election of all director nominees, (ii) the appointment of the auditors for the ensuing year and authorizing the directors to fix the auditors' remuneration, (iii) the approval of the comparative audited financial statements for the fiscal years ended November 30th, 2011 and 2010, and (iv) the approval by a majority of the disinterested shareholders of the Stock Option Plan as originally was approved by the directors of the company

on June 11th, 2007. Mainstream Minerals Corporation's Board of Directors now consisted of Gregory Gibson, Steven McIntyre, David Reid, James Darcel and Michael Romanik.

November 7th, 2012 – The Corporation announced in a news release the appointment of Gregory Gibson as Chairman of the Board of Directors and provide a brief corporate update following the Annual General and Special Meeting of Shareholders recently held on October 25th, 2012. Following the election of all of the proposed director nominees, the Corporation's Board of Directors now consisted of Gregory Gibson, Steven McIntyre, Dave Reid, James Darcel and Michael Romanik. After the Annual General and Special Meeting of Shareholders, the following individuals were re-appointed as officers of the Corporation: Michael Romanik: President and Chief Executive Officer; Ray Préfontaine: Chief Financial Officer; and Lisa McCormack: Corporate Secretary. Mainstream President and CEO Michael Romanik stated at the time: "We are thrilled to have been able to attract Mr. Gibson, Mr. McIntyre and Mr. Reid to join the Board and participate in the Corporation's future success. I would like to take this opportunity to thank outgoing directors Dr. Andrew Nevin, Neil Sullivan and Kyle Picard for their many years of dedicated service to the Corporation. Finally, I would also like to officially welcome the new members of the Board of Directors."

January 11th, 2013 – Alita Resources Ltd. (TSX.V: AL.P) issued a letter to the Corporation announcing that it was terminating the earn-in option agreement at the Rowan Lake property. In a news release dated October 26th, 2011, the Corporation announced that it had entered into an Option Agreement dated October 14th, 2011, with Alita whereby that company would have the option to earn a 60% interest in the Rowan Lake Property upon making \$60,000 in cash payments, issuing 300,000 common shares and completing \$900,000 of exploration over a three year period. The 3 year commitment along with the initial cash payment and common share issuance would only commence upon Alita successfully obtaining a listing on the TSX Venture Exchange Inc. The TSX Venture Exchange Inc. issued a Bulletin on January 27th, 2012 stating that it had accepted for filing an Option Agreement dated October 14th, 2011 between Alita Resources Ltd. and Mainstream Minerals Corporation which granted Alita Resources Ltd. an option to acquire a 60% interest in the Rowan Lake, Ontario group of mineral claims. The Bulletin also noted that the TSX Venture Exchange Inc. had accepted for filing Alita Resources Ltd.'s Qualifying Transaction (the acquisition of a 60% interest in the Rowan Lake, Ontario group of mineral claims from Mainstream Minerals Corporation) as described in its Filing Statement dated December 16th, 2011. As a result, effective at the opening, Monday, January 30th, 2012, the trading symbol for Alita Resources Ltd. was changed from AL.P to AL and that it would no longer be considered a Capital Pool Company. Alita Resources Ltd. had committed to spend a minimum of \$200,000 prior to January 27th, 2013. On February 2nd, 2012 the Corporation received the \$20,000 cash payment as required under the Rowan Lake option agreement with Alita. On February 7th, 2012 the Corporation received the initial issuance of 100,000 common shares of Alita which were subsequently sold on March 20th, 2012 for net proceeds of \$7,777. Mainstream Minerals Corporation was at the time awaiting the assessment work filings for the work performed in 2012 by Alita and would be reviewing the historical data in order to determine a future course of action for this property.

SUBSEQUENT KEY DEVELOPMENTS from September 1st, 2013 and prior to October 29th, 2013

The following is a brief description of the Corporation's subsequent and key developments during the period subsequent to the end of the third quarter ended August 31st, 2013 from September 1st, 2013 and prior to October 29th, 2013:

October 11, 2013 – The company announced the appointment of David Reid as President and CEO and Interim Chief Financial Officer. Mr. Reid has served on the Board of Directors since October 2012. The company also announced the resignation of Mike Romanik as CEO and Director, Raymond Prefontaine as CFO and the resignation of James Darcel as a director. Additionally, Chris Irwin has been appointed as a director of the company.

DESCRIPTION OF ONGOING BUSINESS OBJECTIVES AND KEY PROPERTIES

(1) **Bobjo Mine Project in Earngey and Agnew Townships, Red Lake Mining Division of Ontario (Birch-Uchi Greenstone Belt)**

Location – The Bobjo Mine Project is located in Earngey and Agnew Townships in the Red Lake Mining Division of Ontario. It is situated approximately 80 kilometres by road east-north-east of the Town of Ear Falls, Ontario.

Number of Claims & Hectares – 9 patented claims for approximately 133 hectares and 31 unpatented claims for 315 unpatented claim units for approximately 5,040 hectares for a combined total of 5,173 hectares.

Exploration Target – Gold

Date of Acquisition via Option Agreements & Staking – The 324 claim units were assembled by way of an initial Option Agreement dated July 21st, 2006 for 9 patented claim units for 133 hectares, staking during the Fall of 2006 of 54 unpatented claim units for 874 hectares, and the acquisition by way of staking of another 261 claim units totalling 4,358 hectares in 2007 and 2008 to the north and south of, and immediately adjacent to, the existing land package. A second Option Agreement dated December 17th, 2006 (32 unpatented claim units for 518 hectares) for an area known as “Bobjo West” was subsequently dropped in late fiscal 2008 due to the costs associated with maintaining it and for being non-essential to the overall project. On September 27th, 2010, the Corporation announced an option agreement for 6 exploration claims for 28 claim units totalling approximately 453 hectares with Glen Coyne (the “Vendor”) at the Bobjo Mine Project. These claims, commonly known as the “water claims”, had lapsed in the late fall of 2009 and were acquired via staking by Richard Daigle and subsequently sold to Mr. Coyne. Re-acquiring these claims was one of the conditions for proceeding with the Letter of Intent dated October 6th, 2010 with Premier Gold Mines Limited at the Bobjo Mine Project. Under the terms of the option agreement with Mr. Coyne, Mainstream Minerals can earn a 100% interest by completing a payment to the Vendor of \$10,000 within 7 days of TSX.V approval (paid November 24th, 2010) and issuing 100,000 common shares to the Vendor within 7 days of TSX.V approval (issued November 23rd, 2010). The issued shares shall be subject to hold periods as required by the applicable policies of the TSX Venture Exchange Inc and other securities laws. The Vendor will retain a 2.0 % Net Smelter Return (the “NSR”) interest in the Property. Mainstream Minerals can buyback one half or 1% of the “NSR” at anytime for a payment of \$1,000,000.

Ownership Interests – 100 % Mainstream Minerals Corporation

Operator – Mainstream Minerals Corporation

Qualified Person as per NI 43-101 as at July 29th, 2013 (subject to change) – Garry Clark, P.Geo.

Description and Access to the Bobjo Mine Property

The Bobjo Mine property is located along the southeast limb of the Red Lake-Uchi Lake Greenstone Belt area in the Red Lake Mining District of Ontario. The property is located approximately 80 kilometers by road east-north-east of the Town of Ear Falls, Ontario. The Bobjo Mine site is accessible by gravel timber haul-roads and local trails in the summer months. The former South Bay Mine road connects the Town of Ear Falls to several tourist camps on the Woman, Confederation and Uchi Lakes situated within 10 to 20 kilometres of the Bobjo Mine Property and is presently used by outdoors sports fishermen, hunters, timber companies and exploration personnel and is a “Use at Own Risk” access road. This road is normally ploughed during the winter months due to the timber activity in the area all year round. Access to the property can be obtained via a poorly maintained tote road north from this timber haul road for approximately three thousand metres. The Bobjo Mine is sandwiched between the South Bay Mine which produced approximately 1.6 million tons of 10% zinc and 15% copper and the Uchi Mine which has produced approximately 114,000 ounces of gold. The Jackson-Manion Mine which produced 27, 142 ounces is also located northwest of the property. The numbers of the 9 patented claims at the Bobjo Mine are: KRL 17329 (1 unit), KRL 4544 (1 unit), KRL 6630 (1 unit), KRL 6631 (1 unit), KRL 6632 (1 unit), KRL 6633 (1 unit), KRL 6638 (1 unit), KRL 6689 (1 unit) and KRL 6690 (1 unit).

Regional Geological Setting

The geology of the region has been mapped by various exploration companies doing work on a number of gold and base metal showings in the area as well as the different government agencies including the Geological Survey of Canada and the Ontario Geological Association. The geology is complex on a regional scale but locally over the property appears to be underlain by a series of sedimentary and metavolcanic sequences as part of the Uchi-Red Lake Greenstone Belt. Much of the information on this property has been derived from the original road making and stripping work, shaft and underground development work carried out by the Coniagas Mines Ltd. and Bobjo Mines Ltd. groups from 1927 to 1929. The Red Lake District, including this property, is underlain by Archean aged rocks of the Superior Province. This property lies within the Uchi Sub-Province of northwestern Ontario. These rocks have been subdivided into assemblages with ages ranging from the youngest, the Confederation Assemblage of 2,730-2,800 million years, through the Bruce Channel and Woman Assemblages, from 2,800-2,900 million years, to the Balmer and Ball Assemblages, from 2,900-3,000 million years. The Balmer Assemblage forms the core of the Red Lake Greenstone Belt and hosts the area's largest and most prolific gold mining operations such as Placer Dome's Campbell Mine and Gold Corp's Red Lake Mine. The Balmer consists of basaltic tholeiitic and komatiitic flows intercalated with magnetite-rich and quartz-rich, cherty iron formations. Felsic pyroclastic rocks occur intercalated with these main units as thinly bedded substrates. Small mafic to ultra-mafic intrusives cut all the assemblages and units. The main portion of the Ball Assemblage is composed of calc-alkaline mafic flows and intermediate to felsic calc-alkaline flows and tuffs. The Bruce Channel Assemblage is poorly exposed in the eastern part of the belt but is composed of basaltic flows capped by minor felsic pyroclastic rocks dating around 2,894 Ma and clastic and iron formation meta-sediments. The Woman Assemblage units are restricted to 2,830 Ma in age and are composed of felsic rocks as seen on Mackenzie Island, where they are exposed on surface. The Confederation Assemblage is found on the northern and southern flanks of the Red Lake Belt which is comprised of calc-alkalic rocks with thick sequences of felsic pyroclastic deposits similar to those seen in the Birch Lake-Uchi Greenstone Belt. The later emplacement of large plutons and explosive felsic events from 2,731 Ma to 2,700 Ma heralded the Kenoran Orogeny. These events thermally weakened the crust and induced the localization of compression-related poly-phase deformation and regional greenschist facies metamorphism within an overall compressional regime. The property itself is located on the eastern limb of the Uchi-Red Lake Greenstone Belt within the Confederation Assemblage of volcanic rocks. Thurston had identified three Cycles of volcanism as described in his G.R. Report 236, "Physical Volcanology and Stratigraphy of the Confederation Lake Area - Patricia Portion" 1985. Each cycle consists of a mafic base which grades upward into a felsic top. Interlayered within the felsic episodes are marginal, underwater hosted marbles, cherts and iron formations which cap each of Cycles I and II. Intermediate and felsic tuffs make up the middle to top layers of each cycle. The area appears to be affected by at least three phases of regional deformation resulting in the widespread development of folds, axial planar fabrics and ductile shear zones. The D-1 deformation involved N.W.-S.E. shortening, the development of N.E. to N-striking folds and faults. This event is most prevalent in the southern part of the belt in the Confederation Lakes area. The D-2 deformation involves N.E.-S.W. to N-S shortening and the development of east-west to west-northwest trending regional faults, folding and fabric orientations. This event is most recognizable in the Uchi Lake area, but tends to be locally distorted by the late D-2 emplacement of the plutons. The D-3 deformation in the area is recognized by the late, north-south trending brittle faulting.

General History of the Property prior to Mainstream Minerals Corporation

The following is a summary of the work history of the Bobjo Mine Property. The information was taken from the assessment file records for the area from the resident geologist's office in Red Lake and Sudbury, Ontario and from the open file reports for the area. Over the past eighty-one years, only a limited amount of exploration and development work has been carried out over the claims and more precisely over the main mining claim KRL 6631 where the shaft and open cut exists. A number of exploration companies have carried out various exploration programs in the area adjacent to this ground since the more recent discovery of the Uchi Lake and South Bay Mines but due to the unavailable nature of the subject claims, no new work has been reported on the main patented group since the last Ontario Geological Reports from 1920 to 1930. A number of recent mapping and compilation programs done in the area by the Ontario Geological Survey and the Geological Survey of Canada have determined a significant east-west and northeast trending fault projections cutting through the area. This may have significant impact on the emplacement of the gold mineralization within the silicified host rock in the metavolcanic package surrounding major igneous plutons within the Red Lake Mining District, Ontario.

A complete review of the available Assessment File data at the regional Red Lake Office determined that there is no historical data covering this property prior to the O.D.M. 'Annual Reports' for the periods dating from 1927 through 1935. The first work covering the Bobjo Mine Property was in 1927 when a group of 15 mining claims was staked and referred to as the 'Laidley Claims'. These included claims KRL 6630 to 6638 and KRL 4544 to 4546. The Bobjo Mine Property was immediately optioned to Coniagas Mines Ltd., who carried out an unknown amount of surface work including stripping, trenching and sampling. In 1928-29, Bobjo Mines Ltd. was formed to develop the Bobjo Mine Property. A shaft was sunk to a depth of 270 feet and two levels with over 1,600 feet of lateral development carried out. The main 'open cut' was started to exploit the high grade gold occurrence exposed on surface. A small stamp mill and amalgam plant was erected which produced 261.7 ounces of gold and 29 ounces of silver from an unknown tonnage. During the period from 1938 to 1939, Bobjo Mines Ltd. conducted further surface trenching, pitting, stripping and over 7000 feet of diamond drilling under the direction of T.C. Fawcett. All work was discontinued in April, 1939 due to the war effort. In 1971, ownership of the Bobjo Mine Property reverted to R.J. Jowsey Mining Co. Ltd. of Toronto, Ontario and the claims remained in the company with little or no reported work being carried out over them due to their patent status. In 1974, ownership of the Bobjo Mine Property reverted to New York Oils Ltd. and consisted of the original nine patented claims KRL 4544, 4546, 6630 to 6633, 6638, 6889 and 6890. There is no record of any new work having been carried out during this period even though the South Bay and Uchi Mines in the Red Lake Mining District, Ontario were actively exploring and developing their ground in the vicinity. Over the period from 1928 to 1989, a number of Ontario Government Geologists had looked at the Bobjo Mine Property and taken samples. Of note, was E.L. Bruce's map and comments which were included in the Ontario Department of Mines Annual Reports in 1929, J.D. Bateman in 1940, Fyon and Lane's map in 1986 (P.2989), P.C. Thurston's mapping in 1973 (M.P.56), 1980 (O.G.S. Map 2428) and 1985 (Map G.R. 234 + 236). The latest review and re-interpretation of the Red Lake-Uchi Lake Greenstone Belt was completed by M. Sanborn-Barrie in the GSC Publication Paper 98-01C.

General Developments from December 1st, 2006 and up to June 13th, 2010

From the winter of 2006 / 07 to the winter of 2008 / 09, the Corporation and its former 50 / 50 joint-venture partner, King's Bay Gold Corporation, completed the following work on this property as follows:

- (i) announced the discovery of new gold-bearing veins at the Bobjo Mine. An initial surface sampling program of grab samples was initiated to test these new veins and the initial results from Accurassay Laboratories in Thunder Bay, Ontario returned some high and significant gold values on these veins;
- (ii) built a road to the property;
- (iii) completed a ground-stripping program of approximately 80 acres using a bulldozer and a backhoe around the old shaft right to the bedrock conducted;
- (iv) acquired additional 8,720 acres through staking in 2006 and 2007;
- (v) conducted in 2007 a geophysics program that consisted of 105.2 km's of line-cutting followed by ground magnetic and VLF-EM surveys. The surveys were conducted by Dan Patrie Exploration Ltd. for the purposes of establishing areas of magnetic elevations, magnetic lows and VLF cross-overs that help define structures and conductors. The readings were taken along lines that were spaced at 25 and 100 metres apart and at 25 metre station intervals. The surveys produced high and low areas of magnetic levels and VLF cross-overs which is typical for many gold properties in the Red Lake camp. The surveys proved very successful in finding 2 parallel high magnetic anomalies 200 to 2000 nT above the background running parallel to the base line and also to the west side of the grid and running north-south along the entire length of the grid and open to the north and south. These surveys can now be seen at www.mainstreamminerals.com;
- (vi) completed Phase I (5,300 metres in 2007) and Phase II (15,000 metres in 2008) drilling programs for 32 holes near the old shaft. Gold was intersected in twenty seven out of thirty two holes from surface to a depth of 312 metres, which included high-grade gold in many intersections. All zones are open at depth and in all directions. Some rare earth elements, rare metals, and other minerals were a surprise on this gold project and may, after careful analysis, need some follow up drilling in the future. Most of the gold-bearing veins tested so far ran in an east-west direction. The results of these two drilling programs can be viewed in table format at www.mainstreamminerals.com;
- (vii) completed a 10 hole exploratory program in 2008 in an area located 2 kilometres south of the main discovery area at the bottom end of the property. All ten holes intersected wide zones of anomalous platinum values. This area will need to be investigated further at some point in the future; and

- (vii) the exploration program that was previously announced on February 11th, 2010 for the Bobjo Mine Project was limited due to ongoing talks with a third party for a potential transaction on another property within the area. Some minor field work was resumed on the property over the summer of 2010.

Highlights from the 32 holes drilled to date for Phases I and II at the high-grade gold discovery area included (true widths are not known):

53.61 g/t Au over 2.45 metres	12.01 g/t Au over 0.50 metres
32.95 g/t Au over 1.10 metres	9.45 g/t Au over 1.00 metres
27.43 g/t Au over 1.00 metres	8.70 g/t Au over 1.10 metres
19.61 g/t Au over 2.00 metres	8.45 g/t Au over 3.40 metres
18.18 g/t Au over 0.50 metres	6.84 g/t Au over 1.00 metres
14.55 g/t Au over 1.00 metres	6.25 g/t Au over 1.50 metres
12.80 g/t Au over 0.50 metres	5.77 g/t Au over 3.00 metres

John Archibald B.Sc., P.Geo. was the Qualified Person on the project up until February 2009. At that time, he became President & CEO of King's Bay Gold Corporation, the former joint-venture partner, and as such, he could no longer act as the Qualified Person on this project. Thereafter, Andrew Gracie Ph.D., P. Eng., P.Geo. became the Qualified Person under National Instrument 43-101 for the time while the project was still joint-ventured between King's Bay Gold and Mainstream Minerals. All of the samples taken during the Phase I and Phase II drilling programs were analyzed by Acurassay Labs using the Neutron Activation Method and Acqua Regia Digestion with an ICPAES finish and standard fire assay for gold. True widths are not known.

Property Interests Exchange Agreement dated June 14th, 2010 with King's Bay Gold Corporation

On June 16th, 2010, the Corporation reported in a news release that it had come to an agreement with King's Bay Gold Corporation on the future of their joint-ventured Bobjo Mine Project, located in Earngey and Agnew Townships of the Red Lake Mining Division of Ontario. In a Property Interests Exchange Agreement dated June 14th, 2010, King's Bay Gold sold its' remaining interests of approximately 40% in the Bobjo Mine Project to Mainstream Minerals. King's Bay Gold had further agreed to cancel the advance receivable related to the project of approximately \$140,000 from Mainstream Minerals to King's Bay Gold. In consideration for Property Interests Exchange Agreement of June 14th, 2010, Mainstream Minerals had agreed to: assign to King's Bay Gold it's one hundred per cent (100%) interest in the Raleigh Lake property; grant 250,000 common shares of Mainstream Minerals to King's Bay Gold (issued May 3rd, 2011); and transfer title of ownership on various pieces of equipment valued at approximately \$16,000. Both Parties further agreed to waive any and all present and future claims whatsoever against one another in relation to the Bobjo Mine Project Joint Venture Earn-In Agreement of September 12th, 2006, including all amendments entered into thereafter, and to save the other party harmless from any and all present and future third party claims whatsoever as these may relate to the Bobjo Mine Project. With the execution of the Property Interests Exchange Agreement, Mainstream Minerals now had an undisputed 100% ownership interest in the Bobjo Mine Project. President & CEO Michael Romanik said at the time "We are exceptionally pleased to have been able to secure 100% ownership of the Bobjo Mine Project. With our adjoining 100% owned Hazard Lake / Northgate Deposit property (*dropped on November 30th, 2012*), we now have a fantastic land package to focus our exploration efforts on. The exploration program that was previously announced on February 11th, 2010 for the Bobjo Mine Project was limited due to ongoing talks with a third party for a potential transaction on another property within the area."

Option Agreement of February 11th, 2011 with Premier Gold Mines Limited

With the successful completion of the due diligence diamond drill program (the "Mainstream Funded Drill Program" of \$350,000 as per the terms of a Letter of Intent ("LOI") as signed on October 6th, 2010 and as announced in a news release dated October 14th, 2010), Mainstream Minerals Corporation entered into an Option Agreement dated February 11th, 2011 with Premier Gold Mines Limited (TSX: PG) ("Premier Gold") for the exploration and development of the Bobjo Mine property (see the Mainstream Minerals news release dated February 15th, 2011).

The Option Agreement with Premier Gold provided that Mainstream Minerals would grant to Premier Gold an option to earn up to a 70% interest in this Bobjo Mine Project Property, including the immediately adjacent and adjoining Hazard Lake / Northgate Deposit Property (*dropped on November 30th, 2012*), through a 5 year earn-in program involving annual cash payments, share issuances and exploration and development expenditure commitments. Upon completion of the earn-in provisions by Premier Gold, this Option Agreement would have possibly lead to the formation of a formal joint-venture between the companies whereby the companies will thereafter share all future exploration and development expenditures in proportion to their respective interests.

Termination of the Option Agreement of February 11th, 2011 with Premier Gold Mines Limited

The option agreement provided that Premier Gold had to immediately pay \$50,000 cash (received on February 15th, 2011) and expend a minimum of \$500,000 prior to the first anniversary of the agreement. At Premier Gold's exclusive discretion, the work included, but was not limited to, drilling, line-cutting, geophysics, mapping, ground stripping and washing, and channel sampling.

On May 25th, 2011, the Corporation announced in a news release that Premier Gold had dropped its option on the Bobjo Mine Project property. Since the signing of the option agreement in February, Premier had spent approximately one million dollars on exploration and development work on the property that included the completion of an airborne Mag / EM survey and 3 drill holes for 1,500 meters of drilling. Tim Twomey, P.Geo was the Qualified Person on this project pursuant to National Instrument 43-101 and had reviewed and approved the technical disclosure in the press release of May 25th, 2011 that announced the termination of the option agreement by Premier Gold.

Going Forward at the Bobjo Mine Project

Overall, and despite the termination of the option agreement by Premier Gold in May 2011, the Company is pleased with the overall progress made to date at this project and with the fact that the drilling programs in 2007 and 2008 had so far intersected gold in twenty seven out of thirty two holes from surface to a depth of 312 metres so far, which included high-grade gold in many intersections. All zones are open at depth and in all directions. Some rare earth elements, rare metals, and other minerals were a surprise on this gold project and may after careful analysis, may need some follow up drilling in the future to determine if these initial findings are economically viable. Most of the gold-bearing veins tested so far ran in an east-west direction. The area just north of the high-grade gold discovery is also host to many other quartz veins that have not been tested as of yet, including a quartz vein of up to 2 metres wide that is running in a north-south direction. Grab samples from this vein yielded results as high as 115.00 g/t Au. The work that was being carried out by the Company represents the first modern, systematic exploration of this property since 1929.

After reviewing all of Premier Gold's data, a substantial ground prospecting / sampling program was commenced within a few weeks of the option agreement's termination to "ground truth" all of the high priority anomalies as identified by the airborne survey. Also, with financing permitting, a channel sampling program would be following up on a number of grab samples that were taken from the "Bobjo peninsula" on the northern section of the overall Bobjo Mine property.

Mainstream's President and Chief Executive Officer, Michael Romanik, said at the time (May 25th, 2011): "We plan to continue right where Premier left off, without delay or hesitation. We are moving very quickly to get geological crews on the ground within the next several weeks. The Bobjo Mine property is in itself approximately 5,232 hectares (or approximately 12,928 acres) and only a small part of it has been explored. We are excited to start a prospecting program on the southern half of the property with the new information acquired from and with Premier's cooperation. This southern area has seen very minimal exploration. Much of the company's exploration to date has been focused on the Bobjo peninsula where the old Bobjo Mine Shaft is located. Mainstream remains focused on the Birch-Uchi Greenstone Belt. The company has put together a 6 property land package in the belt totaling approximately 11,067 hectares (or approximately 27,346 acres) and covering numerous past producing mines and known gold occurrences. The company also remains open to pursuing new joint-ventures and option agreements with other companies on mutually beneficial commercial terms and conditions."

On August 23rd, 2011 the Corporation was pleased to provide an update via a news release on its recent exploration activities on the Bobjo Mine Property. In June, Mainstream contracted Mount Morgan Resources Ltd. to complete a channel sampling program at the Bobjo Mine project. The channel samples targeted previously untested outcrops with quartz veins, lenses and veinlets with the intention of assessing the potential for gold mineralization outside of the immediate Bobjo Mine environment. There were a total of 66 samples that were analyzed from the 33 meters of channel sampling. The program was very successful with multiple high-grade gold assays received from a series of 0.5 meter channel samples. The channel samples contained quartz veins +/- bedrock. Results indicate significant gold potential exists outside of the actual Bobjo Mine shaft. Assay results ranged from <.03 g/t Au up to a high of 87.53 g/t Au.

A table highlighting the best samples is given below:

Sample Number	Sample Location	Description	Au g/t
BJ11-56	15 U 526236 5661196	Quartz	87.53
BJ11-28	15 U 526256 5661160	Quartz	50.79
BJ11-62	15 U 526234 5661207	Quartz	39.59
BJ11-26	15 U 526258 5661155	Quartz and bedrock	32.48
BJ11-29	15 U 526248 5661158	Quartz	32.41
BJ11-25	15 U 526254 5661153	Quartz	21.47
BJ11-27	15 U 526258 5661155	Quartz and bedrock	18.93
BJ11-22	15 U 526258 5661154	Quartz and bedrock	16.98
BJ11-61	15 U 526234 5661207	Quartz	11.13
BJ11-09	15 U 526289 5661129	Quartz	7.70
BJ11-03	15 U 526288 5661120	Quartz and bedrock	5.61
BJ11-60	15 U 526235 5661206	Quartz	4.72
BJ11-59	15 U 526235 5661201	Quartz	4.29
BJ11-08	15 U 526289 5661129	Quartz	3.82
BJ11-01	15 U 526283 5661123	Quartz and bedrock	3.16
BJ11-30	15 U 526249 5661168	Quartz and bedrock	2.85
BJ11-05	15 U 526288 5661130	Quartz	2.62
BJ11-36	15 U 526251 5661153	Quartz	2.06
BJ11-63	15 U 526234 5661207	Quartz	1.75

The channel samples were processed and analyzed by TSL Laboratories located in Saskatoon, Saskatchewan. TSL Laboratories as an ISO-Certified laboratory performed the gold assays and a multi-element scan of the sample set. Two kinds of analyses were used. One is a gold fire assay with gravimetric finish and the second a multi-element scan. The multi-element scan provides information for a wide range of elements at very low detection limits. This analysis is used to determine whether there are any unusual “pathfinder” elements that might be used to indicate the presence of gold mineralization. Analysis is by ICP-MS. The gold assay is based upon 60 grams of rock after it has been crushed and powdered. A serious gold nugget effect in the mineralized samples is documented from metallic screen assays and indicates significant specific gravity differences between gold-bearing mineralization and the host rock. The high-grade gold assays suggest the likely presence of native gold. Mainstream is reviewing the drill logs from the 32 holes that were drilled in 2007-2009 as well as the core logs from the 11 holes totaling 4,580 meters that were drilled by Premier Gold Mines Limited in late 2010 and early 2011. The most recent channel sample results will be incorporated with the data from the drill logs in order to formulate the exploration plans for the fall of 2011.

President and Chief Executive Officer, Michael Romanik, said at the time (August 23rd, 2011): “We are very excited with the recent assay results since they are from previously unrecognized zones of gold mineralization. There are many other outcrops that remain untested and will be followed up in the next round of exploration. We firmly believe that the Bobjo Mine project has excellent potential for finding more high grade gold and will be an exciting project for Mainstream going forward.”

DISCONTINUED PROPERTIES and PROJECTS of the CORPORATION during the previous twelve months to October 29th, 2013

Eight properties or projects were discontinued or abandoned and written-off during the previous 12 months to this Management Discussion & Analysis dated October 29th, 2013. These five properties are as follows:

- (1) **Hazard Lake / Northgate Deposit** - An option agreement was entered into on October 26th, 2009 with Perry English on behalf of Rubicon Minerals Corporation (the Vendor) to acquire a 100 % interest in a gold property named Hazard Lake / Northgate Deposit located in the Township of Uchi Lake in the Red Lake Mining Division, Ontario and consisting of 3 claims for 24 claim units for approximately 384 hectares (see the news release of November 16th, 2009). The optioned claim units are adjoining the Bobjo Mine Project property to the South East. This property was also subject to the Option Agreement dated February 11th, 2011 and for possible inclusion into Premier Gold Mines Limited's "Redgold Project". This option agreement was subsequently terminated by Premier Gold – see the news release of May 25th, 2011.

Management, with the support of the Board of Directors, decided on November 30th, 2012 not to keep or renegotiate the original option agreement with Perry English, the Vendor, acting on behalf of Rubicon Minerals Corporation in order to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on more promising properties. As a result of this decision, the Corporation **incurred a write-down of \$59,855** against capitalized Exploration and evaluation assets (Mineral Properties) for the fourth quarter of fiscal 2012.

- (2) **Hudson Patricia Mine Project** - Two option agreements were entered into on January 10th, 2011 with Perry English on behalf of Rubicon Minerals Corporation (the Vendor) to acquire a 100 % interest in what is essentially one gold property named the Hudson Patricia Mine Project (one mining lease for 116 hectares consisting of the past-producing Hudson Patricia Mine and the surrounding Hudson Patricia Property consisting of 8 staked claims for 1,152 hectares for a total area of approximately 1,268 hectares). The Hudson-Patricia Mine Project was located in the Township of Dent, Red Lake Mining Division of north-western Ontario. Dent Township itself is located approximately 75 kilometres east of the Town of Red Lake, Ontario. The past-producing base-metals South Bay Mine is located 7 kilometres to the south-east. The past-producing Hudson-Patricia Mine and surrounding property are located on the Birch-Uchi Greenstone Belt and the optioned claims cover 5.5 kilometres of strike length (see the news release of January 12th, 2011).

On January 6th, 2012, the company entered into two "Agreements to Amend" the terms to each of the respective option agreements relating to the Hudson-Patricia Mine Project. An 11 month extension of the first anniversary cash payment was granted by the Vendor resulting in a new due date of December 10th, 2012, rather than January 10th, 2012, with the amounts of the cash payments being increased.

Management, with the support of the Board of Directors, decided on November 30th, 2012 not to keep or renegotiate the original option agreement with Perry English, the Vendor, acting on behalf of Rubicon Minerals Corporation in order to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on more promising properties. As a result of this decision, the Corporation **incurred a write-down of \$154,961** against capitalized Exploration and evaluation assets (Mineral Properties) for the fourth quarter of fiscal 2012.

- (3) **Rowan Lake Property** - An option agreement was entered into on November 24th, 2010 with Perry English on behalf of Rubicon Minerals Corporation (the Vendor) to acquire a 100 % interest in a gold property named the Rowan Lake Property that is situated in the Townships of Rowan Lake and Brooks Lake in the Kenora Mining District of north-western Ontario (see the news release of November 30th, 2010) – this property was subject to an earn-in option agreement to Alita Resources Ltd. (TSX.V: AL) of Vancouver, British Columbia (see the news release dated October 26th, 2011, subsequently accepted by the TSX Venture Exchange Inc. Inc. on January 27th, 2012 and terminated by Alita on January 11th, 2013).

Management, with the support of the Board of Directors, decided on April 1st, 2013 not to keep or renegotiate the original option agreement with Perry English, the Vendor, acting on behalf of Rubicon Minerals Corporation in order to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on more promising properties. As a result of this decision, the Corporation **incurred a write-down of \$155,923** against capitalized Exploration and evaluation assets (Mineral Properties) for the second quarter of fiscal 2013.

- (4) **Fly Lake Property** - An option agreement was entered into on February 7th, 2011 with Perry English on behalf of Rubicon Minerals Corporation (the Vendor) to acquire a 100 % interest in a gold property named the Fly Lake Property located in the Township of Mitchell in the Red Lake Mining Division of Ontario (see the news release of March 23rd, 2011);

Management, with the support of the Board of Directors, decided on April 1st, 2013 not to keep or renegotiate the original option agreement with Perry English, the Vendor, acting on behalf of Rubicon Minerals Corporation in order to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on more promising properties. As a result of this decision, the Corporation **incurred a write-down of \$66,195** against capitalized Exploration and evaluation assets (Mineral Properties) for the second quarter of fiscal 2013.

- (5) **Casa Berardi Claims** - An option agreement was entered into on August 10th, 2010 to acquire a 100 % interest in a gold property named the Casa Berardi Claims located in Township 32/E11 in the Casa Berardi area of northern Québec, approximately three kilometers south-east of Aurizon Mines Limited's Casa Berardi Mine (see the news release of August 18th, 2010).

Management, with the support of the Board of Directors, decided on May 1st, 2013 not to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on more promising properties. As a result of this decision, the Corporation **incurred a write-down of \$170,530** against capitalized Exploration and evaluation assets (Mineral Properties) for the second quarter of fiscal 2013.

- (6) **West Keefer Claims** - The West Keefer Claims were acquired via an option agreement dated January 2nd, 2010 and are divided into a northern block of 26 units and a southern block of 8 claim units. Both of these optioned blocks are located immediately north of the Destor-Porcupine Fault System. The West Keefer Claims properties are located in Keefer Township of the Porcupine Mining Division of Ontario (West Timmins area).

Management, with the support of the Board of Directors, decided on not to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on the Bobjo Mine Project. As a result of this decision, the Corporation **incurred a write-down of \$161,840** against capitalized Exploration and evaluation assets (Mineral Properties) for the third quarter of fiscal 2013.

- (7) **Slate Lake Property** – The Slate Lake Property was acquired via option agreements dated October 10th, 2010 and February 7th, 2011 covering 9 claim blocks consisting of 107 units covering approximately 1,712 hectares and 1 mining lease covering approximately 96 hectares. The Slate Lake Property is located approximately 80 kilometres east of Red Lake, Ontario.

Management, with the support of the Board of Directors, decided on not to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on the Bobjo Mine Project. As a result of this decision, the Corporation **incurred a write-down of \$184,848** against capitalized Exploration and evaluation assets (Mineral Properties) for the third quarter of fiscal 2013.

- (8) **Birch Lake Property** – The Birch Lake Property was On October 6th, 2011 acquired via an option agreement dated April 17th, 2011 and the company increased its land position at Birch Lake by staking

three mining claims totalling 40 units covering an additional 640 hectares for a total of 2,080 hectares. The Birch Lake Property is located in the Townships of Keigat Lake and Casummit Lake of the Red Lake Mining Division of Ontario in the area generally known as the Birch-Uchi Greenstone Belt. The property itself is located 90 kilometres east of the Town of Red Lake, Ontario.

Management, with the support of the Board of Directors, decided on not to retain and further pursue the exploration and development of this property. This was decided in order to save the ongoing costs related to this property and to conserve capital resources to better focus on the Bobjo Mine Project. As a result of this decision, the Corporation **incurred a write-down of \$56,990** against capitalized Exploration and evaluation assets (Mineral Properties) for the third quarter of fiscal 2013.

ANNUAL FINANCIAL INFORMATION

The following discussion and analysis of the operating results and financial condition of the Corporation should be read in conjunction with the audited financial statements and related notes thereto for the five fiscal years ended November 30th, 2012, 2011, 2010, 2009, and 2008. These financial statements have also been filed with the British Columbia, Alberta, Saskatchewan, Manitoba and Ontario securities commissions and the TSX Venture Exchange Inc. via SEDAR (www.sedar.com) and are incorporated herein by reference.

Financial Data – The following table shows selected key financial information for the years ended as indicated.

	Year Ended Nov. 30, 2012	Year Ended Nov. 30, 2011 (1)	Year Ended Nov. 30, 2010	Year Ended Nov. 30, 2009	Year Ended Nov. 30, 2008
Total Revenues	\$ 126	\$ 573	\$ 1,297	\$ 722	\$ 30,224
Income from Operations	-	-	-	-	-
Total	\$ 126	\$ 573	\$ 1,297	\$ 722	\$ 30,224
Net Income (Loss) before income taxes	\$ (813,030)	\$ (712,114)	\$ (527,021)	\$ (738,812)	\$ (862,972)
Total Net Income (Loss) after income taxes	\$ (631,030)	\$ (629,114)	\$ (560,021)	\$ (679,812)	\$ (823,972)
Share-based Payments Reserve Expense	\$ -	\$ -	\$ 5,040	\$ 9,538	\$ 106,935
Common Shares Issued	65,102,130	54,122,130	43,701,021	27,101,087	18,176,087
Loss per Share (basic & diluted)	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.03)	\$ (0.05)
Total Assets	\$ 3,826,672	\$ 3,976,730	\$ 3,982,105	\$ 3,096,254	\$ 3,234,569
Total Long Term Debt	Nil	Nil	Nil	Nil	Nil
Cash Dividends	Nil	Nil	Nil	Nil	Nil

Note (1) – The financial statements up to and including November 30th, 2011 were prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). Starting with the condensed interim management-prepared financial report for the quarter ended February 29th, 2012, all of the annual audited financial statements and interim quarterly financial reports have been prepared in accordance with the newly adopted International Financial Reporting Standards (“IFRS”) for publicly accountable profit-oriented enterprises. The changeover to IFRS for financial statements for fiscal years commencing on or after January 1st, 2011 represents an important change due to the implementation of these new accounting standards. In 2010, the Corporation started an IFRS conversion plan to address the impact of the changes in accounting policies, restatement of comparative periods, internal controls, and any required changes to business processes. As discussed elsewhere in this Management Discussion and Analysis, these new accounting standards have impacted some elements of the Corporation’s reported financial position and results of operations. The numbers in the November 30th, 2011 have been adjusted to reflect the changeover to IFRS.

YEAR ENDED NOVEMBER 30th, 2012

After a brief period of stability in 2011, concern and uncertainty over the ongoing economic recession in both Canada and the United States, the European sovereign debt crisis and the budget / debt ceiling / fiscal cliff crisis in

the United States led to a challenging 2012 as capital markets dramatically tightened once again. Due to the current dismal state of the economy in general and the capital markets for junior mineral exploration companies in particular, Management with the support of the Board of Directors has decided in late 2012 to pursue a low burn and non-dilutive strategy for the next several months. The low burn strategy involves the curtailment of all exploration activities and the reduction of administrative overheads to an absolute minimum until such time that the capital markets recover and until there is thorough review of the company's portfolio of projects. During the 2012 fiscal year, two non-brokered private placements were completed for total net proceeds of \$513,860 (\$88,360 closed on March 27th, 2012 and \$425,500 closed in two tranches with the final tranche closing on June 29th, 2012). On February 2nd, 2012 the Corporation received from Alita Resources Ltd. (TSX.V: AL) the initial \$20,000 cash payment as required under the Rowan Lake earn-in option agreement. On February 7th, 2012 the Corporation received the initial issuance of 100,000 common shares of Alita. The 100,000 Alita common shares were subsequently deposited to the Corporation's brokerage account at PI Financial Corp. of Vancouver, British Columbia and then sold on March 20th, 2012 at \$0.08 per share for gross proceeds of \$8,000 less commissions of \$223 for net proceeds of \$7,777. With these limited funds, the company was able to meet all of its financial obligations and keep all of its accounts payable up-to-date. It is noted that \$86,625 of the \$97,476 (or 88.8%) in outstanding Trades Payables as at November 30th, 2012 were for accrued amounts owing to Verenex Capital Corporation, a company wholly owned by Michael Romanik, for management services provided between January and November 2012 as the Corporation's President & CEO. Management, with the support of the Board of Directors, decided on November 30th, 2012 not to keep or renegotiate the earn-in option agreements for the Hazard Lake / Northgate Deposit and Hudson-Patricia Mine properties in order to save the ongoing costs related to these properties and to conserve capital resources. As a result of these two decisions, the Corporation incurred write-downs totaling \$214,816 against the capitalized expenditures on its Exploration and evaluation assets (mineral properties) for the fourth quarter of fiscal 2012. While the company continued working at reducing its general and administrative overhead expenditures that are not capitalized to mineral properties, it was unsuccessful in continuing the positive trend that commenced in 2009 as the Loss from operations increased to \$599,117 in 2012 from \$442,650 in 2011 (versus 2010: 515,963 and 2009: \$691,436). This increase is mostly the result of having opened in December 2011 a geological office located at Unit # 211 – 850 West Hastings Street, Vancouver, British Columbia V6C 1E1. As a cost saving measure that office was subsequently closed in June 2012. During fiscal 2012, the company incurred the following general and administrative expenditures, notably: \$3,150 for advertising and promotion (2011: \$37,586); \$586 for depreciation on its office computer equipment (2011: \$143); \$424,542 for non-capitalized consulting fees (2011: \$248,533); \$1,172 for the Annual General and Special Meeting of Shareholders as held in Winnipeg, MB on October 25th, 2012 (2010: \$4,650 for the general meeting of May 31st, 2011); \$11,192 paid for premiums on the commercial general and directors' & officers' insurance policies (2011: \$10,266); \$30,511 for office expenditures (2011: \$18,495); \$79,490 for professional fees (2011: \$63,616); \$38,771 for regulatory filing fees (2011: \$43,060); and \$9,703 for all other general and administrative expenditures (2011: \$16,301). As a result of these non-capitalized expenditures, the company incurred a Loss from operations of \$599,117 (2011: \$442,650) and a comprehensive Net Loss for the year of \$631,030 (2011: \$629,114), after Interest income of \$126 (2011: \$573), Exploration and evaluation assets (mineral properties) write-downs of \$214,816 (2011: \$272,536 for the Price Claims abandonment), a gain / loss on the Sale of machinery and equipment of \$Nil (2011: gain of \$2,500), a gain on the Sale of marketable securities of \$777 (2011: gain / loss of \$Nil) and a Deferred income tax recovery of \$182,000 (2011: Deferred income tax recovery of \$83,000). The Cumulative loss per share, basic and diluted, for the fiscal year ended November 30th, 2012 was \$0.01 (versus 2011: \$0.01; 2010: \$0.02; 2009: \$0.03; and 2008: \$0.05). Given the various operating, financing and investing activities undertaken by the company during the fiscal year, the amount of cash and restricted cash on hand as at November 30th, 2012 was \$93,470 (versus \$106,710 as at November 30th, 2011).

OPERATING RESULTS for the THIRD QUARTER ended AUGUST 31st, 2013

For the third quarter, the three months ended August 31st, 2013, the Corporation incurred a Net and Comprehensive Loss for the period of \$487,722, after general and administrative expenses of \$84,044, and Exploration and evaluation (mineral properties) write-downs of \$403,678 for the West Keefer, Slate Lake and Birch Lake Claims properties (versus a fiscal 2012 3rd quarter loss of \$106,789 after Interest income of \$81, General and administrative expenses of \$106,870. During the third quarter of fiscal 2013, the Corporation continued to operate without active exploration programs and chose not to pursue three exploration properties (see the section herein entitled *DISCONTINUED PROPERTIES and PROJECTS of the CORPORATION during the previous twelve months to October 29th, 2013*). Reduced costs are attributable to reduced business activity and cost cutting initiatives.

SUMMARY of QUARTERLY RESULTS

The table on the following page sets out the summary of the quarterly results for the Corporation for each of the most recently completed eight quarters. At the time of incorporation on July 19th, 2006, the fiscal year end was established as November 30th.

The financial statements up to and including November 30th, 2011 were prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) (the two quarters identified as “2011 Third” and “2011 Fourth” in the table on the following page). However, for comparison purposes, the column identified as “2011 Fourth” was restated and reconciled to reflect the newly adopted International Financial Reporting Standards (“IFRS”). The condensed interim management-prepared financial reports for the six quarters identified as “2012 First” through to “2013 Second” in the table on the following page were prepared in accordance with the newly adopted International Financial Reporting Standards (“IFRS”) for publicly accountable profit-oriented enterprises.

The changeover to IFRS for financial statements for fiscal years commencing on or after January 1st, 2011 represents an important change due to the implementation of these new accounting standards. In 2010, the Corporation started an IFRS conversion plan to address the impact of the changes in accounting policies, restatement of comparative periods, internal controls, and any required changes to business processes. As discussed elsewhere in this Management Discussion and Analysis, these new accounting standards have impacted some elements of the Corporation’s reported financial position and results of operations.

All amounts are shown in Canadian dollars except ratios

Quarter	2013 Third	2013 Second	2013 First	2012 Fourth	2012 Third	2012 Second	2012 First	2011 Fourth (1)
Revenue	\$ -	\$ -	\$ 6	\$ 42	\$ 81	\$ -	\$ 3	\$ 83
Income (loss) from continuing operations	\$ (84,044)	\$ (57,854)	\$ (82,462)	\$ (186,426)	\$ (106,870)	\$ (131,984)	\$ (173,837)	\$ (119,000)
Net Income (loss)	\$ (487,722)	\$ (450,502)	\$ (82,456)	\$ (401,200)	\$ (106,789)	\$ (134,207)	\$ (170,834)	\$ (391,454)
Basic and Fully Diluted Earnings per Share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Cash and Restricted Cash	\$ 166	\$ 224	\$ 22,760	\$ 93,470	\$ 176,474	\$ 2,117	\$ 16,050	\$ 106,710
Total Current Assets	\$ 9,968	\$ 16,168	\$ 44,990	\$ 102,137	\$ 185,443	\$ 14,031	\$ 43,099	\$ 123,558
Total Current Liabilities	\$ 291,901	\$ 214,278	\$ 178,848	\$ 152,663	\$ 12,916	\$ 138,068	\$ 121,435	\$ 41,550
Working Capital	\$ (281,933)	\$ (198,110)	\$ (133,858)	\$ (50,526)	\$ 172,527	\$ (124,037)	\$ (78,336)	\$ 82,008
Working Capital Ratio : 1.00	0.03	0.08	0.25	0.67	14.36	0.10	0.35	2.97
Total Assets	\$ 2,945,227	\$ 3,355,329	\$ 3,770,401	\$ 3,826,672	\$ 4,088,125	\$ 3,894,566	\$ 3,923,780	\$ 3,976,729
Total Liabilities	\$ 1,072,901	\$ 995,278	\$ 959,848	\$ 933,663	\$ 975,916	\$ 1,101,068	\$ 1,084,435	\$ 1,004,550
Share Capital	\$ 7,255,074	\$ 7,255,074	\$ 7,255,074	\$ 7,255,074	\$ 7,255,074	\$ 6,829,574	\$ 6,741,214	\$ 6,703,214
Share-based payments reserve	\$ 350,349	\$ 350,349	\$ 350,349	\$ 350,349	\$ 350,349	\$ 350,349	\$ 350,349	\$ 350,349
Accumulated Deficit	\$ (5,733,097)	\$ (5,245,372)	\$ (4,794,870)	\$ (4,712,414)	\$ (4,493,214)	\$ (4,386,425)	\$ (4,252,218)	\$ (4,081,384)
Shareholder’s Equity	\$ 1,872,326	\$ 2,360,051	\$ 2,810,553	\$ 2,893,009	\$ 3,112,209	\$ 2,793,498	\$ 2,839,345	\$ 2,972,179
Debt / Equity Ratio : 1.00	0.57	0.42	0.34	0.32	0.31	0.39	0.38	0.34

Note (1) – “2011 Fourth” – Although the comparative audited financial statements for the years ended November 30th, 2011 and 2010 were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP), some items in this column were restated and reconciled to reflect changes as a result of the transition to International Financial Reporting Standards (IFRS).

LIQUIDITY and CAPITAL RESOURCES

As a result of the cumulative effects of the difficult capital markets for the junior mineral exploration sector, the company had negative working capital positions (current assets less current liabilities) for six of the last eight quarters. The Q1 and Q2 2012 shortfalls were mostly due to the unforeseen delays in the closings of two private placements while current shortfalls can be attributed to the weak capital markets for junior exploration companies.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund the balance of its 2013 operating and expenditures. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

As at August 31st, 2013, the Corporation had current assets consisting of \$166 in Cash and Restricted Cash, Other Receivables of \$3,606 (exclusively consisting of the refund of GST and HST Input Tax Credits on expenses incurred during Q3 2013), and Prepaid Expenses of \$6,196 for paid-up office rent to November 30th, 2013 and the annual insurance premiums for the Directors & Officers' and Commercial General Liability policies. Current liabilities consisted of various normal-course-of-business Trade Payables of \$280,881 and Other Payables of \$11,020. It is noted that \$129,750 or 46% of the Trades Payables were for accrued amounts owing to Verenex Capital Corporation, a company wholly owned by Michael Romanik, for management services provided between January and November 2012 and for Q1, Q2 and Q3 of 2013 as the Corporation's President & CEO.

The Corporation currently has no other financial commitments or obligations except to fund those costs related to the care and maintenance of its mineral property title on the Bobjo Mine Property. There are no contingent liabilities or other such claims, including environmental, health or safety, against the Corporation that management is aware of as at the date of this Management Discussion & Analysis of October 29th, 2013. The Corporation has no long-term debt. As a result of its flow-through financings over the years, the Corporation has incurred a potential future income tax liability of \$781,000 which is duly noted on the Balance Sheet and in the Notes to Financial Statements in the comparative audited financial statements for November 30th, 2012 and 2011 (November 30th – 2011: \$963,000; 2010: \$1,046,000; 2009: \$752,000 and 2008: \$811,000).

For exact details on the number of currently issued and outstanding Warrants and Options, their respective Exercise Prices and Expiry Dates as at August 31st, 2013, see *Note 10. Share Purchase Warrants* and *Note 11. Share-based Payments* in the Notes to Condensed Interim Financial Statements for the period ended August 31st, 2013.

Management is always reviewing its expenditures and exploration activities vis-à-vis its remaining cash resources and is always actively engaged in sourcing capital from new sources and from existing sources known to it. As the Corporation may become more active in the remainder of fiscal 2013 and beyond, expenditures would be expected to increase as a result of: (i) the ongoing exploration and development expenditures on its property and (ii) as new exploration activities or opportunities are identified. As the Corporation has not begun production it does not have any cash flow from operations.

The Corporation's main source of cash is the money received from the issuance of securities (new issues, exercise of outstanding warrants and options) with some funds being received from interest on deposits. The Corporation will require additional equity financing in the coming years in order to fund its exploration and development activities on its mineral properties. If the Corporation is not successful in raising sufficient capital, it will have to curtail or otherwise limit its operations and exploration activities.

DIVIDEND POLICY

To date, the Corporation has not paid any dividends on its outstanding Common Shares. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund future growth, the financial condition of the Corporation and other factors which the Board of Directors of the Corporation may consider appropriate in the circumstances.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash and cash equivalents, other receivables, trade payables and other payables.

(a) Risk management and hedging activities

In the normal course of operations the company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The company does not meaningfully participate in the use of financial instruments to control these risks. The company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings, however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The company is exposed to credit risk on cash, trade receivables and other receivables. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the condensed interim management-prepared financial report as at May 31st, 2013 in the amount of \$4,577 represents the maximum exposure to credit risk at the reporting date.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at May 31st, 2013, the company had a working capital deficiency in the amount of \$198,110.

The contractual maturities of financial liabilities, at August 31st, 2013, based on the earliest date on which payment can be required, were as follows:

		Total amount		Six month or less	More than six months
Trade payables	\$	280,881	\$	280,881	\$ -
Other payables		11,020		11,020	-
	\$	291,901	\$	291,901	\$ -

(v) Interest rate risk

The company is not exposed to any meaningful interest rate risk due to the short term nature of its interest generating asset.

(b) Sensitivity analysis

The company has cash and cash equivalents subject to interest rate risk of approximately \$166. A 1% change in the primary interest rate would affect the reported net income, on an annualized basis, by \$1.

(c) Fair values, carrying amounts and changes in fair value

The fair values of the company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy in Canadian generally accepted accounting principles.

Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level two includes inputs that are observable other than quoted prices included in level one.

Level three includes inputs that are not based on observable market data.

The company's financial instruments within the fair value hierarchy as at August 31st, 2013 is as follows:

	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 166	\$ -	\$ -

The company's financial instruments within the fair value hierarchy as at November 30th, 2012 is as follows:

	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 93,470	\$ -	\$ -

(d) Collateral

The carrying value of financial assets the company has pledged as collateral as at May 31st, 2013 is \$Nil (May 31st, 2012 - \$Nil).

INCOME TAXES

- (a) Canadian development and exploration expenditures: As at November 30th, 2012, the company had \$830,792 (2011: \$742,262; 2010: \$124,161; and 2009: \$239,397) of unused Canadian exploration and development expenses available to offset future taxable income of the company. The tax benefits of these expenses carry forward indefinitely.
- (b) Flow-through shares: As at November 30th, 2012, \$Nil of eligible renounced Canadian exploration expenditures (CEE's) had not yet been expended by the company (2011: \$Nil; 2010: \$179,043; and 2009: \$357,307).

EXPLORATION and EVALUATION ASSETS – MINERAL PROPERTIES

Active properties are those that the company intends on continuing further exploration and development work within the next twelve months. Any properties identified as “on hold” are those that the company intends to continue further exploration and development work, but not necessarily within the next twelve months. This is all subject to change. These cumulative total deferred acquisition, exploration and development costs relate to the following properties as at August 31st, 2013 and November 30th, 2012:

Acquisition, Exploration & Development Costs	August 31st, 2013	November 30th, 2012
ACTIVE PROPERTIES (as at October 29 th , 2013):		
Bobjo Mine Project	\$ 2,932,947	\$ 2,932,947
TOTAL ACTIVE PROPERTIES	\$ 2,932,947	\$ 2,932,947
INACTIVE “on hold” or DISCONTINUED PROPERTIES (as at October 29 th , 2013):		
Birch Lake Claims	-	50,368
West Keefer Claims	-	161,840
Slate Lake Claims	-	184,848
Fly Lake Claims (1)	-	66,195
Rowan Lake Claims (2)	-	154,823
Casa Berardi Claims (3)	-	170,530
TOTAL INACTIVE or DISCONTINUED PROPERTIES	-	\$ 788,604
GRAND TOTAL	\$ 2,932,947	\$ 3,721,551

A summary of the mineral properties activity for the nine month period to August 31st, 2013 is as follows:

Balance, November 30 th , 2012	\$ 3,721,551
Development costs incurred during the period including share-based payments	7,722
Impairment as a result of abandoning certain exploration And evaluation assets	(796,326)
Balance, August 31 st , 2013	\$ 2,932,947

INTERNATIONAL FINANCIAL REPORTING STANDARDS CONVERSION PLAN

In 2010, the Corporation started an IFRS conversion plan to address the impact of the changes in accounting policies, restatement of comparative periods, internal controls, and any required changes to business processes. It is noted that the company continued to use Canadian generally accepted accounting principles (Canadian GAAP) up to the end of fiscal year that ended on November 30th, 2011 (the 2011 fiscal year commenced on December 1st, 2010). The changeover to IFRS for financial statements for fiscal years commencing on or after January 1st, 2011 represents a change due to new account standards and has affected the Corporation’s reported financial position and results of operations. The Corporation effectively implemented its IFRS conversion plan in time for the preparation of the condensed interim management-prepared financial report starting with the first quarter of fiscal 2012 (February 29th, 2012).

Below is a table outlining some of the key milestones, timing, actions and current status of the conversion.

ACTIVITY	TIMING	STATUS
Identify differences in Canadian GAAP and IFRS and the effect on current accounting policies	Assessment was completed in 2010.	Done.
Identify IFRS exemptions	Assessment was completed in 2010.	Done.
Financial Statements in accordance with IFRS	Q1 2012 management-prepared interim financial report of February 29 th , 2012 was completed in accordance with IFRS.	Done.
Calculate the effects of IFRS on the Financial Statements	Q1 2012 management-prepared interim financial report of February 29 th , 2012 was completed in accordance with IFRS.	Done.
Assess the need for IFRS training	Assessment was completed during the third and fourth quarters of fiscal 2011.	Ongoing IFRS training is available to assist the current CFO, Ray Préfontaine B.A., B.Comm. (Hons.). He has not undergone such formal training but has completed readings on the subject. If required, additional assistance and support is available through consultations with the company's external auditors, Magnus Chartered Accountants LLP.
Assess the effect on planning process	Assessment was completed in Q4 2010.	Done.
Determine if business processes are IFRS compliant	Assessment was completed in Q4 2010.	Done.
Determine if current software is IFRS compliant	Assessment was completed in Q4 2010.	Existing accounting software is useable for IFRS statements.
Determine if current chart of accounts is IFRS compliant	Assessment was completed in Q4 2010.	The assessment was completed in Q4 2010 and indicated that there were no changes needed to the current chart of accounts, other than a few minor changes that were implemented in Q1 2012.
Determine if current controls are IFRS compliant	Assessment was completed in Q4 2010.	Done – current controls are IFRS compliant.

STATEMENT of COMPLIANCE with the IFRS

The condensed interim management-prepared financial reports for the two quarters respectively ended on May 31st and February 28th, 2013 are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards ("IFRS") and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The condensed interim management-prepared financial reports for the two quarters respectively ended on May 31st and February 28th, 2013 should be read in conjunction with the Corporation's comparative audited IFRS-compliant financial statements for the years ended November 30th, 2012 and 2011.

The condensed interim management-prepared financial report of Mainstream Minerals Corporation for the three months ended on May 31st, 2013 was reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on July 29th, 2013. Any subsequent changes to IFRS that are given effect in the company's annual financial statements for the year ended November 30th, 2013 could result in the restatement of any one of or

all of the fiscal 2013 quarterly unaudited condensed interim financial reports.

CHANGES in ACCOUNTING POLICIES during the third quarter ended August 31st, 2013 including INITIAL ADOPTION

There were no changes in accounting policies, including initial adoption, during the second quarter ended August 31st, 2013.

The financial statements up to and including November 30th, 2011 were prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The comparative audited financial statements for the years ended November 30th, 2012 and 2011 and the condensed interim management-prepared financial reports for the two quarters respectively ended on May 31st and February 28th, 2013 were prepared in accordance with the newly adopted International Financial Reporting Standards ("IFRS") for publicly accountable profit-oriented enterprises. The changeover to IFRS for financial statements for fiscal years commencing on or after January 1st, 2011 represents an important change due to the implementation of these new accounting standards. In 2010, the Corporation started an IFRS conversion plan to address the impact of the changes in accounting policies, restatement of comparative periods, internal controls, and any required changes to business processes.

FUTURE CHANGES in ACCOUNTING POLICIES

Standards issued but not yet effective up to the date of issuance of the company's financial statements are listed below. This listing is of the standards and interpretations issued, which the company reasonably expects to be applicable at a future date. The company intends to adopt those standards when they become effective. The company does not expect the impact of such changes on the financial statements to be material.

IFRS 9 Financial Instruments: Classification and measurement

IFRS 9, as issued, reflects the first phase of the International Accounting Standards Board's ("IASB's") work on the replacement of IAS 39 and applies to classification and measurement of financial assets as defined in IAS 39. The standard is effective for annual periods beginning on or after January 1st, 2013. In subsequent phases, the IASB will address classification and measurement of financial liabilities, hedge accounting and de-recognition. The adoption of the first phase of IFRS 9 may have an effect on the classification and measurement of the company's financial assets.

IFRS 10 Consolidated Financial Statements

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 replaces SIC-12 Consolidation - *Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements*. The standard is effective for annual periods beginning on or after January 1st, 2013.

IFRS 11 Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*. The standard is effective for annual periods beginning on or after January 1st, 2013.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. This standard is effective for annual period beginning on or after January 1st, 2013.

IFRS 13 Fair Value Measurement

IFRS 13 defines fair value, sets out in a single IFRS framework for measuring value and requires disclosure about fair value measurements. IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures

about fair value measurement, except in specified circumstances. The standard is effective for annual periods beginning on or after January 1st, 2013.

IAS 1 Presentation of Financial Statements (Amended)

The amendments retain the option to present profit or loss and other comprehensive income either in one continuous statement or in two separate but consecutive statements. Items of other comprehensive income are required to be grouped into those that will and will not be subsequently classified to profit or loss. Tax on items of other comprehensive income is required to be allocated on the same basis. The measurement and recognition of items of profit or loss and other comprehensive income or loss are not affected by the amendments. The amendment is effective for annual periods beginning on or after July 1st, 2012.

IAS 19 Employee Benefits (Amended)

The amendments require the recognition of changes in the defined benefit obligation and in plan assets when those changes occur, eliminating the corridor approach and accelerating the recognition of past service costs. The amendment is effective for annual periods beginning on or after January 1st, 2013.

IAS 27 Separate Financial Statements (Amended)

IAS 27 was re-issued by the IASB on May 12th, 2011 in order to conform to changes as a result of the issuance of IFRS 10, IFRS 11, and IFRS 12. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements as the consolidation guidance will now be included in IFRS 10. The amendment is effective for annual periods beginning on or after January 1st, 2013.

IAS 28 Investment in Associates and Joint Ventures (Amended)

IAS 28 was re-issued by the IASB on May 12th, 2011 in order to conform to changes as a result of the issuance of IFRS 10, IFRS 11, and IFRS 12. IAS 28 continues to prescribe the accounting for investments in associates, but is now the only source of guidance describing the application of the equity method. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. The amendment is effective for annual periods beginning on or after January 1st, 2013.

AUDIT COMMITTEE and its CHARTER

By Written Resolution of the Board of Directors dated June 11th, 2007, the Directors of the Corporation adopted a comprehensive Audit Committee Charter. The overall purpose and objectives of and key excerpts from the Charter are as follows:

“The Audit Committee will assist the Board of Directors in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and Mainstream Minerals Corporation’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board of Directors, Management, and the External Auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Corporation’s business, operations and risks.

The Board authorizes the Audit Committee, within the scope of its responsibilities, to seek information it requires from any employee and external parties, to obtain outside legal and professional advice and to ensure attendance of the Corporation’s officers at meetings as appropriate.

The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Corporation.

Meetings shall not be held less than two times per year. Special meetings shall be convened as required.

The External Auditors may convene a meeting if they consider that to be necessary.

The proceedings of all meetings will be recorded as minutes.”

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements other than what is disclosed in the Notes to Financial Statements in the comparative audited year-end financial statements of November 30th, 2012 and 2011 and the Notes to Condensed Interim Financial Statements for the two quarters respectively ended on May 31st and February 28th, 2013.

RISKS and UNCERTAINTIES

Going Concern

The comparative audited financial statements for the fiscal years ended November 30th, 2012 and 2011, the three condensed interim management-prepared financial reports for the quarters respectively ended on August 31, 2013, May 31st and February 28th, 2013 and the audited financial statements for the four years ended November 30th, 2011, 2010, 2009, and 2008 were all prepared on a going concern basis, which contemplates that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

For the third quarter ended August 31st, 2013, the Corporation incurred a Net and Comprehensive Loss of \$487,722 before income taxes and future income tax recovery and had an accumulated deficit of \$5,733,097 (versus a Net and Comprehensive Loss of \$106,789 before income taxes and future income tax recovery and had an adjusted IFRS reconciled accumulated deficit of \$4,712,414 for the third quarter ended August 31st, 2012).

For the fiscal year ended November 30th, 2012 the Corporation incurred an IFRS compliant after income taxes and future income tax recovery Net and Comprehensive Loss of \$631,030 (versus an IFRS compliant after income taxes and future income tax recovery Net and Comprehensive Loss of \$629,114 for the year ended November 30th, 2011 and pre-IFRS compliant after income taxes and future income tax recovery Net and Comprehensive Losses for prior years respectively ended on November 30th – 2010: \$560,021; 2009: \$679,812; and 2008: \$823,972). The Corporation had an IFRS compliant accumulated deficit of \$4,712,414 as at November 30th, 2012 (versus an IFRS compliant and reconciled accumulated deficit for November 30th, 2011 of \$4,081,384 and pre-IFRS accumulated deficits for prior years respectively ended on November 30th – 2010: \$2,838,744; 2009: \$2,278,723; and 2008: \$1,598,911). All of which could raise substantial doubt about the Corporation’s ability to continue as a going concern.

The ever-increasing accumulated deficit could raise substantial doubt about the Corporation’s ability to continue as a going concern. The ability of the Corporation to remain a going concern is dependent upon new equity injected into the company to fund its ongoing development of the mineral properties. It is the Corporation’s intent to continue to rely upon the issuance of new equity to finance its operations and exploration commitments and activities. If the Corporation is unsuccessful in continuing to raise the necessary funds to meet its exploration commitments and activities, the realizable values of its assets may materially decline from their current estimates.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund the balance of its 2013 operating and expenditures. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company’s ability to continue as a going-concern.

Raising Capital Funding and Dilution

The profitability of the Corporation is affected by business risks including the price of gold, the normal risks associated with open pit and underground mining, which affects production rates and costs, and the exchange rate between the Canadian dollar and United States dollar. Once the Corporation commences production, outside financing will be required. While the Corporation has been successful in the past, there is no assurance that funding will be available under terms that are satisfactory to management. The ability of the Corporation to achieve its operational objectives is dependent in large measure on the results of the exploration activities and the ability to raise capital funding for continued exploration. The Corporation frequently issues Common Shares to finance its operations and for working capital purposes. It is possible that the Corporation will enter into more agreements to issue Common Shares and warrants and options to purchase Common Shares. The impact of the issuance of a significant amount of Common Shares, along with warrant and option exercises, could place downward pressure on the market price of the Common Shares and at a minimum such issuances will dilute the existing shareholders' interests in the Corporation.

Exploration

Mineral exploration is highly speculative in nature. The Corporation's exploration work involves many risks and may be unsuccessful. Substantial expenditures are required to establish proven and probable reserves and to complete the related mine development. It may take several years from the initial phases of exploration until drilling and / or production is possible. As a result of these uncertainties, there is no assurance that current or future exploration programs will be successful and result in production or result in the discovery of new ore bodies.

Title to Properties

The validity of unpatented and patented mining claims, which constitute the Corporation's property holdings, can be uncertain and may be contested. Although the Corporation has attempted to acquire satisfactory title to its properties, some risk exists that some titles, particularly title to undeveloped properties, may be subject to prior unregistered agreements, transfers and / or native land claims the Corporation's title to its property holdings may be affected by other undetected defects and may be defective.

Payment Obligations

The Corporation is, or may in the future become, a party to certain contractual agreements pursuant to which the Corporation is or may become subject to payments and be required to comply with other obligations. If such obligations are not complied with when due, in addition to any other remedies that may be available to the other parties, this could result in dilution or forfeiture of interests held by the Corporation. The Corporation may not have, or be able to obtain, financing for all such obligations as they arise.

Competition Risk

The mineral exploration and mining business is competitive in all of its phases. The Corporation competes with other mining companies and individuals, including competitors with greater financial, technical and other resources than the Corporation for mining claims and leases on exploration properties, acquisition of mineral assets, capital and qualified employees. Competition could adversely affect the Corporation's ability to raise capital, acquire suitable properties, sufficient equipment and qualified personnel for exploration in the future. The Corporation cannot assure that it will continue to be able to compete successfully with its competitors in acquiring such properties, capital and employees or terms it considers acceptable, if at all.

Gold and Mineral Commodities Price Volatility

The Corporation's business could be affected by the world market prices of gold and mineral commodities. The prices of gold and mineral commodities are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Corporation's control. These include industry factors such as: demand; speculative trading; and costs of and levels of global production by producers of gold and mineral commodities. Gold and mineral commodities prices may also be affected by macroeconomic factors, including: expectations of the future rate of inflation; the strength of, and confidence in, the US dollar, the currency in which the price of gold and mineral commodities are generally quoted, and other currencies; interest rates; and global or

regional, political or economic uncertainties. A decline in the world market price of gold and mineral commodities could affect the Corporation's ability to raise additional financing and could make exploration and / or development of the Corporation's mineral properties uneconomical.

Mining Risks and Insurance Risks

The operations of the Corporation are subject to significant risks and hazards, incidental to the exploration, development and production of gold including environmental hazards, industrial accidents, unusual or unexpected rock formations, pressures, cave-ins and flooding, most of which are beyond the Corporation's control. These risks and hazards could result in: damage to, or destruction of, mineral properties or producing facilities; personal injury or death; environmental damage; delays in production; and monetary losses and possible legal liability for such damage. Prior to November 30th, 2007, the Corporation was operating without Commercial General Liability Insurance coverage and without Directors' & Officers' Insurance coverage. Commencing on December 1st, 2007, the Corporation obtained such policies with Lloyd's (Commercial General Liability Insurance) and with the Chartis Insurance Company of Canada – formerly known as AIG Commercial Insurance Company of Canada – (Directors' & Officers' Insurance). Originally the respective liability limits for both policies were \$5,000,000 but were subsequently reduced effective December 1st, 2008 in order to save on premium costs. Both policies now have respective liability limits of \$2,000,000 and \$1,000,000. The deductible for the Directors' & Officers' Insurance is \$25,000 per event. The deductibles for the Commercial General Liability Insurance range from \$500 to \$5,000 per event and are dependent on the nature of the event. The policies are underwritten by Canadian Resource Insurance Solutions of Sudbury, ON. Even with such insurance coverage in place, no assurance can be given that such insurance will be paid out in the event of a claim. In addition, the Corporation may become subject to liability for hazards for which it could not be insured against or for which it elected not to insure against because of premium costs above those already paid for or for other reasons.

Conflicts of Interest

Certain of the directors and officers of Corporation are also directors and / or officers of other natural resource companies, and may be shareholders of those companies. Such associations or relationships may give rise to conflicts of interest from time to time. The Corporation's directors are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interest, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict must disclose his interest and abstain from voting on such matters in accordance with applicable corporate laws, and may be required to resign as a director of one of the companies.

Dependence on Management

The success of the operations and activities of the Corporation is dependent to a significant extent on the efforts and abilities of its management, a relatively small group of individuals. Investors must be willing to rely to a significant extent on management's discretion and judgment. The Company does not have in place any formal programs for the succession of management. The Corporation considers **David Reid** (President & Chief Executive Officer and Interim Chief Financial Officer), and **Lisa McCormack** (who was appointed as Corporate Secretary on March 15th, 2012 and subsequently approved to hold that office by the TSX Venture Exchange Inc.), to be the key members of the management group. The Corporation does not maintain any key man insurance on any of its employees. The loss of any one member of the management group could have a material adverse effect on the Corporation's business.

Environmental, Health and Safety Regulations

The Corporation's operations and exploration activities are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and protected species. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect the Corporation's business, financial condition and results of operations. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with

certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. In addition, certain types of operations require the submission and approval of environmental impact assessments. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's operations.

Environmental hazards may exist on the properties on which the Corporation holds interests that are unknown to the Corporation at present and that have been caused by previous existing owners or operators of the properties. There may be costs and / or delays associated with compliance with these laws and regulations. The unknown nature of possible future additional regulatory requirements creates uncertainties related to future environmental, health and safety costs. Any amendment to current laws and regulations governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation's financial condition and results of operations.

Future Capital Requirements

The Corporation may encounter significant unanticipated liabilities or expenses. The Corporation's ability to continue its planned exploration activities depends in part on its ability to obtain additional financing in the future to fund exploration and development activities or acquisitions of additional projects. Since incorporation on July 19th, 2006, the Corporation has raised capital primarily through equity financing and in the future may raise capital through equity or debt financing, joint ventures or other means. There can be no assurance that the Corporation will be able to obtain the necessary financing in a timely manner, on acceptable terms or at all.

Dividends

No dividends on the Common Shares have been paid to date. The Corporation anticipates that it will retain all future earnings and other cash resources for the future operation and development of its business. The Corporation does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Corporation's Board of Directors, after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs.

Estimates and Assumptions employed in the preparation of financial statements

The preparation of its financial statements requires the Corporation to use estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The Corporation's significant accounting policies are described in the Notes to the comparative audited financial statements for the years ended November 30th, 2012 and 2011, and the condensed interim management-prepared financial reports for the two quarters respectively ended on May 31st and February 28th, 2013 and in the audited financial statements for the four years ended November 30th, 2011, 2010, 2009, and 2008. See the section herein entitled *Summary of Significant Accounting Estimates and Policies*. The Corporation's accounting policies are subject to estimates and assumptions regarding reserves, future mineral prices and future mining activities.

STOCK-BASED COMPENSATION PLAN

The Board of Directors of the Company has adopted an incentive "rolling" Stock Option Plan (the "Plan"). It is subject to TSX Venture Exchange Inc.'s approval on an annual basis (the Exchange's initial approval was received on May 2nd, 2007) and is subject to an annual ratification by the disinterested shareholders of the Company at the Annual General and Special Meetings of Shareholders (the Plan was approved at the meetings of December 4th, 2007; May 28th, 2008; June 24th, 2009; June 23rd, 2010; May 31st, 2011; and October 25th, 2012). The Plan permits the Board of Directors of the Company, from time to time, in its discretion, and in accordance with the Exchange requirements, to grant to directors, officers, investor relations consultants and technical consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares exercisable for a period of up to 5 years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all investor relations consultants and technical consultants will not exceed two percent (2%)

of the issued and outstanding Common Shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. The Plan provides that, for an investor relations consultant, no option shall be exercisable for a period exceeding twelve (12) months from the date the option is granted, with no more than one quarter of the options vesting in any three month period. Any option granted to an investor relations consultant will expire 30 days after the date that such person ceases to carry on investor relations activities on behalf of the Company. Options granted under the Plan must have an exercise price per Common Share that is greater than or equal to the Discounted Market Price (as defined under the policies of the Exchange) of the Common Shares at the time of the grant.

CAPITAL MANAGEMENT

As the company is in the exploration stage, its principal source of capital is from the issuance of common shares. The company's capital management objective is to obtain sufficient capital to maintain its exploration programs for the benefit of its stakeholders. To meet the objectives, management monitors the company's ongoing capital requirements against unrestricted net working capital and assesses additional capital requirements on specific exploration properties on a case by case basis. The company is not subject to externally imposed capital requirements. Management is of the opinion that the amounts and changes in the company's capital are readily determinable in its financial statements.

CORPORATE GOVERNANCE

The initial Board of Directors was established at the Founding Meeting of Shareholders as held on July 19th, 2006 in Winnipeg, Manitoba. Subsequent to the most recent Annual General Meeting of Shareholders as held on October 25th, 2012 in Winnipeg, Manitoba, the Board is currently comprised of the five individuals as identified below. The Board of Directors has established two committees: the Audit Committee and the Compensation Committee. Each director is elected to serve until the next Annual General and Special Meeting of Shareholders or until a successor is elected or appointed.

Kyle Picard (a Director since July 19th, 2006), Dr. Andrew Nevin Ph.D, P.Eng. (a Director since October 14th, 2009) and Neil Sullivan B.A., LLB (a Director since July 19th, 2006) did not stand for re-election at the Annual General and Special Meeting of Shareholders as held on October 25th, 2012. The three outgoing directors were replaced by Gregory Gibson, Stephen McIntyre and David Reid, who were all elected on October 25th, 2012.

Directors (& Officers as applicable)

Gregory Gibson	Director since October 25 th , 2012. Chairman of the Board since October 25 th , 2012.
Stephen McIntyre B.Sc., B.A.	Director since October 25 th , 2012. Non-Independent member of each of the Audit and Compensation Committees.
David Reid	Director since October 25 th , 2012. President & Chief Executive Officer and Interim CFO since October 11 th , 2013.
Chris Irwin	Director since October 11, 2013. Non-Independent member of each of the Audit and Compensation Committees, Chair of the Audit Committee and Compensation Committee

Officers (only)

Lisa McCormack	Corporate Secretary since March 15 th , 2012.
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CONTINGENT LIABILITIES

There are no contingent liabilities or other such claims, including environmental, health or safety, against the Corporation that management is aware of as at the date of this Management Discussion & Analysis of July 29th, 2013.

MARKET FOR THE SECURITIES OF THE CORPORATION

The common shares of the Corporation commenced trading on the TSX Venture Exchange Inc. on June 13th, 2007 under the symbol "MJO".

DISCLOSURE of OUTSTANDING SHARE DATA as at May 31st, 2013

	Number	Share Capital	52 Week Trading Range
Common Shares	65,102,130	\$ 7,255,074	\$ 0.01 to \$ 0.06

	Number		Weighted Average	Expiry
Stock Options	Outstanding	Price	Exercise Price per share	Date
Outstanding	2,095,000	\$0.10	\$ 0.10	2014 to 2015

Note (1) – On June 7th, 2013, 2,950,000 Series P warrants and 90,000 Finders' warrants, all with an exercise price of \$0.10, expired as unexercised.

Note (2) – On June 28th, 2013, 1,400,000 Series Q warrants with an exercise price of \$0.10, expired as unexercised. As a result of this expiry, the Corporation no longer had any unexercised warrants as issued and outstanding.

PROPOSED TRANSACTIONS

There were no proposed transactions contemplated at the time that this Management Discussion & Analysis of July 29th, 2013 was prepared. The Corporation is presently in preliminary discussions for a non-brokered private placement of up to \$150,000 with a party known to it that may close sometime before the end of the third quarter of fiscal 2013 (August 31st, 2013). Details on pricing, timing, number of common shares and warrants to be issued are unknown at this time.

DISCLOSURE of CONTROLS & PROCEDURES**NOTE TO READER**

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), the two *Certifications of Interim filings Form 52-109FV2 - Venture Issuer Basic Certificates* dated July 31st, 2013, each respectively signed by the Chief Executive Officer and the Chief Financial Officer and filed concurrently on www.sedar.com with: (i) this Management Discussion & Analysis for the second quarter ended May 31st, 2013 and dated as at July 29th, 2013 and (ii) the condensed management-prepared interim financial report for the second quarter ended May 31st, 2013, do not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the respective certificates are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in these certificates. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation's comparative audited financial statements for the years ended November 30th, 2012 and 2011, the condensed management-prepared interim financial reports for the two quarters respectively ended on May 31st and February 28th, 2013, and in the audited financial statements for the four years ended November 30th, 2011, 2010, 2009, and 2008. These and other News Releases can be found at the SEDAR website – www.sedar.com. Other information can also be obtained from the Corporation's website at www.mainstreamminerals.com. Upon request the Corporation will provide to any person:

- (a) when the securities of the Corporation are in the course of a distribution pursuant to a short form prospectus or a preliminary short form prospectus has been filed in respect of a proposed distribution of its securities.
 - (i) one copy of the Corporation's latest Annual Information Form, together with one copy of any document, or the pertinent pages of any document, incorporated therein by reference;
 - (ii) one copy of comparative financial statements of the Corporation for the Corporation's most recently completed financial year in respect of which such audited financial statements have been issued together with the report of the auditor thereon;
 - (iii) one copy of any interim financial statements of the Corporation as prepared by Management subsequent to the audited financial statements for its most recent year end;
 - (iv) one copy of the Management Information Circular of the Corporation in respect of the most recent Annual General Meeting of Shareholders of the Corporation which involved the election of directors; and
 - (v) one copy of any other documents which are incorporated by reference into the preliminary short form prospectus or the short form prospectus; or
- (b) any other time, a copy of the documents referred to in clauses (a) (i), (ii), (iii), (iv) above.

CAUTIONARY NOTICES

The Corporation's comparative audited financial statements for the years ended November 30th, 2012 and 2011, the condensed management-prepared interim financial reports for the two quarters respectively ended on May 31st and February 28th, 2013, and the audited financial statements for the four years ended November 30th, 2011, 2010, 2009, and 2008, and this accompanying MD & A include certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 of the United States. Other than statements of historical fact, all statements in these documents, including without limitation, statements regarding potential mineralization and resources, future plans and objectives of the Corporation, are forward-looking statements that involve various known and unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their respective dates. Important factors that could cause actual results to differ materially from the Corporation's expectations include, among others, the ongoing results of current exploration activities, feasibility studies, on-going engineering work, changes in project parameters, and future metal prices, as well as those factors discussed under the heading "*Risks and Uncertainties*" and elsewhere in the Corporation's documents filed from time to time with the TSX Venture Exchange Inc. and with Canadian Securities regulators. All subsequent written and oral forward-looking statements attributable to the Corporation or persons acting on its behalf are expressly qualified in their entirety by this notice.

The Qualified Person as defined under National Instrument 43-101 for work performed at each property and / or project is subject to change from time-to-time and on a go forward basis from the date of this document. At the present time, Garry Clark, P.Geo. is the Qualified Person for the Bobjo Mine Project and Birch Lake properties; Mark Fedikow, P.Geo. is the Qualified Person for the Slate Lake Property; and Brian H. Newton, P.Geo. is the Qualified Person for the West Keefer Claims property.