GOLDEN SUN MINING CORP.

(formerly Silver Sun Resource Corp.)

Management's Discussion and Analysis

For the Three Months Ended July 31, 2013

(Expressed in Canadian Dollars)

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This MD&A contains certain statements that constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; uncertainty as to timely availability of permits and other government approvals; uncertainties involved in disputes and litigation; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policy that all forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of October 17, 2013 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations for satisfactory drill results.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

For the Three Months Ended July 31, 2013

INTRODUCTION

This Management Discussion and Analysis ("MD&A") of the operating results and financial condition of Golden Sun Mining Corp. (formerly Silver Sun Resource Corp.) (the "Company" or "Golden Sun") for the three months ended July 31, 2013 should be read in conjunction with the unaudited consolidated condensed interim financial statements for the three months ended July 31, 2013 and the audited consolidated financial statements for the year ended April 30, 2013, which are prepared in accordance with International Financial Reporting Standards ("IFRS").

The Company is a precious and base-metals mineral exploration company. The corporate acumen of the Company's management will facilitate the ongoing corporate and exploration growth. The management team will continue to evolve as the Company grows as a mining exploration company.

The Company currently with has one property in the United States, Cherry Hill, and two properties in Mexico, Zacatecas and Yoreme.

The Company's stock was halted on June 24, 2013, on the TSX Venture Exchange as a result of unpaid transfer agent fees. The transfer agent has subsequently been paid but the Company requested to remain halted until after the Extraordinary General Meeting held on September 11, 2013. At that meeting, the shareholders of the Company voted 97.47% to approve the consolidation of the Company's share capital on a one-new-for-10-old basis. Following the consolidation, the Company will have approximately 5.5 million shares issued and outstanding. Management believes this new corporate structure may enable the Company to raise the funds required to finance its planned pilot mill development.

On September 4, 2013, the British Columbia Securities Commission issued a Cease Trade Order requiring the Company to file an independent technical report supporting disclosure of a mineral resource estimate and results of a PEA for the Cherry Hill Mine. Under section 164(1) of the Act, the Executive Director ordered that all trading in the securities of Golden Sun cease until: (1) the Company files a required technical report for the Cherry Hill Mine property, completed in accordance with the Act and regulations; and (2) the Executive Director revokes the Cease Trade Order.

This MD&A is prepared as at October 17, 2013. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise stated.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR at www.sedar.com.

DESCRIPTION OF THE BUSINESS

Golden Sun Mining Corp. is a public company incorporated under the Business Corporations Act (British Columbia) on March 14, 2007 as a Capital Pool Company as defined in TSX Venture Exchange (the "Exchange") Policy 2.4. The Company is listed on the TSX Venture Exchange ("TSX") under the trading symbol "GSU", on the Frankfurt Stock Exchange under the trading symbol "SS6", and on the OTC Pink Current under the symbol "GSUXF". The Company is also DTC eligible in the United States.

The Company is in the business of exploring mineral properties with its major project being the Cherry Hill Gold mining claims in Siskiyou County in northern California.

The Company's corporate office and principal place of business is at Suite 350 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

EXPLORATION AND EVALUATION PROPERTIES

Cherry Hill Gold Mine, California, USA

On April 15, 2011, the Company announced that it had closed the Definitive Agreement for the purchase of a 51% interest in the Cherry Hill Mine mineral claims, located in Siskiyou County in northern California, whose key asset is the past producing, Cherry Hill Gold Mine. In consideration for the 51% interest in the project, the Company agreed to pay USD$555,000. The Cherry Hill Mine is fully permitted and consists of a high grade underground quartz lode mine that is located on a claim block consisting of six unpatented mining claims. The Cherry Hill purchase includes one mill site claim including a 750 tonne per month gravity circuit mill with all machinery and equipment. The property is approximately 125 acres located in the Klamath National Forest in Siskiyou County, California, approximately 8 miles from Yreka, California. The Cherry Hill Mine has had a substantial amount of work done in the past on multiple levels as it has been in production numerous times during the past 100 years.

On May 10, 2011, the Company announced that it had formed three wholly owned U.S. subsidiaries: Golden Sun, LLC; Cherry Hill Holdings, LLC; and Lucky Boy Resources, LLC which will function as the American operating companies for Golden Sun.

In addition, the Company announced that it had received approval from the United States Forest Service ("USFS") to continue with the current Plan of Operations, which was valid until the year 2015 using the permits and licenses that were currently in place. Once production resumes at Cherry Hill, the Company planned to apply to the USFS to broaden the Plan of Operations at Cherry Hill to include the entire property for which a full environmental assessment would then be required.

On May 12, 2011, the Company announced that it had increased its interest in the Cherry Hill Mine mineral claims to a total of 68.15% by acquiring an additional 17.15% interest. In consideration for the additional 17.15% interest, the Company agreed to issue 500,000 shares of common stock of the Company subject to obtaining all applicable regulatory, corporate approvals and consents, including the consent of the TSX Venture Exchange.

The Company then increased its interest to 100% and in consideration for the remaining 31.85% interest, the Company agreed to issue 950,000 shares of common stock of the Company and issue 475,000 common share purchase warrants at a price of $0.56 for a period of 12 months from the date of closing, subject to obtaining all applicable regulatory, corporate approvals and consents, including the consent of the TSX Venture Exchange.

On July 7, 2011, the Company announced that it had received confirmation from Mojave Desert Minerals, LLC (stationed in Oatman, Arizona) that they would serve as the primary Underground Mine Rescue team for the Cherry Hill Gold Mine. Further, the Company received confirmation from the Siskiyou County Sheriff's Department (Search and Rescue Team) that assistance would be provided in the event of an emergency.

On July 20, 2011, the Company announced that it had received approval from the City of Yreka to operate a mill within the city limits. Until such a time that permitting and construction is initiated, Golden Sun has access to a fully operational contract mill to process all mineralized rock to be processed from the Cherry Hill Gold Mine.

On August 24, 2011, the Company announced that mine development work would start with the creation of a refuge chamber as well as areas for the safe storage of the explosives magazine and blasting caps. This development work, as a requirement of the Mine Safety and Health Administration ("MSHA") would allow the Company to expand its understanding of the underground geometry of the queen vein as approximately 105 feet of crosscuts are planned. These crosscuts outside of the vein would also provide the Company with stations where underground drilling can be conducted from in the future to test the for the down-dip extensions of the vein. This development work would also prepare the queen vein for production by expanding the Q4-1 raise, which will be the focus of the first new production from the mine. The Q4-1 raise will be extended higher into the vein and widened such that production and mucking can happen simultaneously on different headings, which is anticipated to increase production rates.

On October 21, 2011 the Company announced that it had completed a bulk sampling program at Cherry Hill. Approximately 100 tonnes of mineralized material was processed at the Discovery Day Mine's gravity circuit mill, which produced two separate concentrates: a free-gold bearing concentrate and a sulphides concentrate that requires additional processing. The value of these concentrates was assumed to be low and has yet to be determined.

On October 25, 2011 the Company announced that metallurgy test results indicated recoveries of up to 94.69% for gold and up to 87.15% for silver were attainable for material from the Company's wholly owned Cherry Hill Gold Mine. The Company also announced that it had retained Derrick Strickland, P. Geo, to prepare a National Instrument 43-101 compliant technical report with respect to Cherry Hill by the end of the calendar year.
On October 27, 2011 the Company announced that production had begun at the Cherry Hill Gold Mine and that mineralized material was being stockpiled at its secure storage facility prior to transport to the Merlin Mill, located some 86 miles away, in Grants Pass, Oregon.

On January 12, 2012, the Company announced results from samples submitted by Derrick Strickland, P. Geo., on behalf of Silver Sun.

A total of six samples were collected in order to confirm that the Queen Vein is gold bearing and attempt to replicate published and unpublished assay data. The samples returned values ranging from 0.02 to 20.2 grams per tonne (g/t) gold. As the Queen Vein is relatively narrow (from 1 to 26 cm or 0.5 to 14 inches) the samples from the vein were taken along the length of the vein in order to sample as much of the vein as possible. For clarification, these samples were taken to confirm the presence of gold and not to be representative of particular random portions of the vein.

- Sample CH11-01 was taken at 400 feet of the (at the previous face) from banded quartz vein from the area of current production. The vein at this location is 10 cm wide; however the sample was 40 cm along the length of the vein and returned a value of 12.40 g/t gold.
- Sample CH11-02 was taken at the 340 feet of the main Q4 level from banded quartz vein. The vein at this location is 10 cm wide; however the sample was 30 cm along the length of the vein and returned a value of 1.71 g/t gold.
- Sample CH11-03 was taken in the Q4-1 raise, i-drift, which is the Company's second active working, from banded quartz vein. The vein at this location is 13 cm wide; however the sample was 30 cm along the length of the vein and returned a value of 20.20 g/t gold.
- Sample CH11-04 was taken at 242 feet of the main Q4 level across a 20 cm wide zone of fault gouge and returned 0.04 g/t gold.
- Sample CH11-05 was taken at 150 feet of the main Q4 level and was a grab sample of fault gouge and returned 0.24 g/t gold.
- Sample CH11-06 was a grab sample from a muck pile in the Q4-1 raise consisting of wall rock (black slate with euhedral pyrite) and returned 0.02 g/t gold.

The independent Qualified Person was satisfied with the sample results as they confirmed the presence of gold in the Queen Vein on the Q4 level. The samples were submitted to Acme Labs in Vancouver for assaying and gold was analyzed using a 30g fire assay. As there were only 6 samples taken the sampler relied on Acme Lab's internal quality control procedures.

On January 19, 2012, the Company announced that milling of the stockpiled material from the Cherry Hill Gold Mine would begin the next day at the Merlin Mill in Grants Pass, Oregon. Approximately 200 tonnes of the initial 2,000 tonnes of material was to be processed over a two day period in order to determine the best methods for optimal recovery of gold and silver. In addition, processing of this initial batch of throughput would quantify the amounts, if any, of deleterious elements present in the tailings, which was subsequently shown to be below the minimum amounts allowed by the State of Oregon and allows for the tailings to be stored in the mill's tailings pond.

(Expressed in Canadian Dollars)

From the 210 tonnes of material processed, the Company received 10,120 pounds of flotation concentrate and 2,360 pounds of gravity concentrate via a Nelson concentrator. 1,260 pounds of the gravity concentrate was subsequently run across a shaker table in order to further process the material and create four smaller different concentrates. Representative samples of each shaker table concentrate were then sent for analysis.

On March 1, 2012, the Company announced that initial assays received from the first 1,260 pounds of the gravity circuit concentrates returned a weighted average of 15.21 ounces per tonne gold and 5.17 ounces per tonne silver from 1,260 pounds of mineralized material from the Cherry Hill Gold Mine.

The table below breaks down the assays of each concentrate created by the shaker table:

Sample ID	Weight (lbs)	Au (oz/T)*	Ag (oz/T)*	Contained ounces
CHM CONS - 1	32	542.00	181.00	8.67
CHM CONS - 2	141	8.39	3.31	0.59
CHM CONS - 3-1	122	1.95	0.65	0.12
CHM CONS - 3-2	28	3.89	1.53	0.05
CHM CONS - 4-1	675	0.29	0.14	0.10
CHM CONS - 4-2	262	0.37	0.14	0.05
Totals	**1,260**			**9.58**
Weighted Average		**15.21**	**5.17**	

* T = short tonnes (2,000 pounds)

The samples for the gravity concentrates were prepared and analyzed by ALS Chemex at their facilities in Vancouver, B.C. using their 'specialty assay procedure' (individual sample size consisted of 0.1 kilograms of material). Gold analyses were performed by Fire Assay Fusion (FA-FUSION) utilizing Gravimetric, AAS, or ICP finish depending on the concentration. Silver was analyzed as part of a multi-element ICP package using an aqua regia digestion.

On May 3, 2012, the Company announced that it had extracted approximately 2,000 tons of mineralized rock from Cherry Hill and that the Company intended to run 400 tons of material through the Grants Pass, Oregon mill in May to continue to determine the best methods for optimal recovery.

It also stated that proceeds from the recently announced private placement (see news release dated April 3rd, 2012) would be used to expand the main working (Q4- drift) at Cherry Hill to ten feet by ten feet and to purchase additional equipment such that mining will be trackless with the goal of increasing the mining rate to 1,000 to 3,000 tons per month. This expansion is expected to take up to 4 weeks and the Company anticipates commencing production of a minimum of 1,000 tons per month in June. Subsequent difficulties with the contract mill have since put the expansion plans on hold.

On September 6, 2012, the Company announced that it entered into an agreement in principle for the exclusive mining rights to a near-term producing gold mine located approximately 10 kilometres from the Company's existing, wholly-owned, Cherry Hill Gold Mine. The mine is held by a private American trust and consists of two patented load claims. The agreement provides Golden Sun with the exclusive underground mining rights for 20 years with a onetime payment of US$25,000 and a 10% net profits interest on all production. The Company has been granted several months to complete due diligence which is intended to include detailed sampling and if required, mini bulk sampling. The private trust has held the property for approximately 60 years and historical assays provided to the Company from the mine ranged from 1.6 to 18.0 ounces per tonne. These assays are historic in nature and were not included in a technical report. Investors are cautioned as to the reliability of those assays as the width and locations of the samples were not provided to the Company. The Company was not able to corroborate the results by sampling in the same locations. After due diligence, the Company decided not to pursue with this opportunity any further.

On October 3, 2012, the Company announced that it had begun to truck its stockpiled material to Grants Pass, Oregon for processing at the Merlin contract mill. The transport company contracted to provide trucking services to the mill was faced with a number of obstacles from logistics to the inclement of weather which delayed delivery. On October 25, 2012 the Company entered into a contract for milling and paid the operators $60,000 as an advance for milling services. The Company later learned that delays to the start of milling occurred as the mill required rehabilitation upon start-up.

Leading up to the third mill run, the Company was diligent with its internal assaying as guidance of grade for its stockpile. In addition, the Company took the necessary steps in 2012 to establish expected recoveries from the contract mill as reported in previous news releases.

During the mill processing, the operators of the mill did not provide the Company with any numbers as requested. The Company subsequently stopped trucking and milling at approximately 740 tonnes. The Company had a representative on site for the beginning of the processing; however, after an unplanned shut down that was scheduled for several days and resulted in the Company's representative being away from the mill, a majority of the material was run through the mill without the Company's representative being present.

Upon the threat of legal action, the contractors provided the Company with results that did not equate to what the Company felt was reasonably expected. The Company's qualified person attended the mill after milling had stopped and took a number of samples for assaying of which the Company has serious concerns over. The Company plans to pursue this matter through their legal counsel and will act accordingly upon their advice.

To date, the Company has not started legal action as it is still attempting to investigate the situation.

Mining at Cherry Hill has yet to re-start as the Company is re-considering its milling options including the possibility of building its own pilot plant.

Ian Foreman, P.Geo.a director of the Company, is Golden Sun's Qualified Person, pursuant to National Instrument 43-101 for the Cherry Hill property and is responsible for the technical information presented in this MD&A.

Zacatecas, Mexico

The project consists of three separate properties: Mina San Jose; Salvador; and Zacatecas which are located approximately 15 kilometers northwest of the municipality of Zacatecas, the capital city of Zacatecas State, Mexico. The Mina San Jose property consists of one exploration concession of 40 hectares. The Salvador-Zacatecas property consists of the Salvador exploitation concession which is 32 hectares, while the adjacent Zacatecas exploration concession has 8.712 hectares for a total of 40.712 hectares. The Company owns 73% of the concessions in a joint venture with Impact Silver Corp. ("Impact") that owns the other 27%.

(Expressed in Canadian Dollars)

Concession	Title No.	Claim Type	Area (ha)	Date Registered
Mina San Jose	T-225854	Exploration	40.000	28-Oct-05
Salvador	T-181880	Exploration	32.000	16-Dec-87
Zacatecas	T-219098	Exploration	8.712	4-Feb-03

In August, 2008 Silver Sun engaged Tekhne Research Inc. to prepare a technical report on the Zacatecas Joint Venture. The operating partner during the period, Impact Silver Corp., had contracted Tekhne Research Inc. of Victoria, B.C., an arms' length company, on November 15, 2006 to assist in the design and execution of the Phase 1 surface evaluation and Phase 2 diamond drilling program on the Mina San Jose and Salvador-Zacatecas properties under the joint venture. Silver Sun received a technical report (the "Technical Report") dated August 21, 2008, as amended October 14, 2008, prepared by Edward M. Lyons, P.Geo of Tekhne Research Inc. titled "Exploration Phases 1 & 2: Surface Sampling & Diamond Drilling on the Mina San Jose & Salvador-Zacatecas Properties Zacatecas, Zacatecas State, Mexico", which summarized the results of the Phase 1 and Phase 2 surface and geological sampling on the Zacatecas property.

The exploration program consisted of Phase 1 (surface sampling and geological sampling) and Phase 2 (drill program based on the Phase 1 results). For Mina San Jose, Phase 1 produced 45 surface dump and rock samples and Phase 2 had four diamond drill holes totaling 501.25 metres of NTW (61.2 mm diameter core) and 106 core samples. Salvador-Zacatecas Phase I work resulted in 17 dump and rock samples, while Phase 2 had 12 diamond drill holes (two were lost) totaling 1,314.5 metres with 193 samples. All samples were sent to ALS-Chemex Labs at Guadalajara, Mexico for sample preparation and the pulps were sent for analyses to ALS-Chemex in Vancouver, B.C.

The technical report (available on www.sedar.com) prepared by the Company's Qualified Person at the time, Edward M. Lyons, P. Geo. provided the following summary of the drill hole data results on the Zacatecas property:

> The results for Mina San Jose showed Ag at 122 to 525 grams per tonne Ag as average samples and selected dump samples, specifically selected to show the best potential values, of 4,900 grams per tonne Ag with 6% Zn and 1-2% Pb. The drill results encountered the veins as zones to 1,340 grams per tonne Ag, 1.23 % Pb, and 1.18% Zn over 0.65 m true thickness. The drilling was reconnaissance in nature. The work suggests that the vein may be more coherent to the west and perhaps at depth. The Salvador-Zacatecas dump samples ran 100 to 288 grams per tonne Ag with selected material typically three to four times higher. Drill intersections returned a maximum of 382 grams per tonne Ag over 0.5 metres true width on the Salvador Vein and 275 grams per tonne Ag over 0.61 metres true width with less than 1% Pb and Zn respectively.

As of January 31, 2010, the Company had fulfilled its obligation to incur exploration expenditures of $200,000. As a result of these expenditures, the Company had earned a 73% interest in the joint venture with Impact. The Company also announced that it had received the mining and reclamation permits required from the Mexican government in order to put the property into production; however, no plans were in place to follow through with production as a suitable milling facility—and hence economic assessment has not been identified.

On June 30, 2010, the Company announced the approval of mining and environmental permitting on their Zacatecas project through the Company's wholly owned Mexican subsidiary, Minera Plata del Sol S.A. de C.V. At that time the Company was in discussions with Impact regarding the option to process ore at their wholly-owned mill which is located 1,000 metres from the property.

(Expressed in Canadian Dollars)

On August 3, 2010, the Company announced that it had contracted SGS de Mexico S.A. de C.V to carry out metallurgical test work on the mineralized stockpiles from the Company's Zacatecas properties. The test program consisted of a Cyanide Leach Bottle-Roll Test to generate kinetic gold/silver extraction curves and to determine sodium cyanide and lime consumptions. Further, two flotation tests were performed on each sample to identify primary flotation, scavenger flotation and two cleaning stages. All concentrates were for Au, Ag, Pb, Zn, Cu and Fe. Results from the Metallurgical Test Program show the recovery for Ag at 47%.

The properties are registered in the name of Minera Aguila Plateada S.A. de C.V., which is a wholly owned subsidiary of Impact Silver Corp. The Company owns a 73% interest in the concessions pursuant to the Joint Venture Agreement between Alta Vista Ventures Ltd. ("Alta Vista") (formerly Yale Resources Ltd.) and Impact dated July 25, 2008. The Company acquired Alta Vista's interest in the Joint Venture Agreement pursuant to an Option Agreement with Alta Vista dated August 14, 2008 as amended on January 8, 2010.

On August 25, 2011, Impact Silver announced that it had agreed to sell all of its interests in Zacatecas, including their 27% ownership in the Zacatecas, San Jose, and Salvador concessions to Defiance Silver Corp.

On May 3, 2012, the Company announced that it was in ongoing discussions with its joint venture partner in order to transfer 100% of the titles of the concessions into the Company's Mexican subsidiary.

Limited work has been undertaken at Zacatecas in 2012 and no work was performed in 2013.

Ian Foreman, P.Geo., a director of the Company, is Golden Sun's Qualified Person, pursuant to National Instrument 43-101 for the Zacatecas property and is responsible for the technical information presented in this MD&A..

Yoreme, Mexico

On December 2, 2010, the Company entered into an exploration and evaluation asset purchase agreement with Maggiore Capital Limited, pursuant to which the Company acquired one hundred percent (100%) right, title and interest in the Yoreme mineral claim. The property is 400 hectares in size and located in the Municipality of Alamos, State of Sonora, Mexico. The consideration paid for this exploration and evaluation asset was 2,500,000 common shares of the Company. The Company paid an additional 200,000 shares as a finders' fee on this purchase. The property is presently registered in the name of Minera Plata del Sol S.A. de C.V., which is a wholly owned subsidiary of the Company.

Follow-up sampling performed in conjunction with a technical report returned:

Initial sampling performed by the Company's Mexican subsidiary returned the following values:	Type	Width (m)	Ag (grams per tonne)	Pb (%)	Zn (%)
37459	Rock	2.0	569.3	1.63	6.04
37460	Dump	-	1,259.6	0.97	2.61
37461	Rock	2.0	1,768.6	0.29	0.74
37462	Rock	1.0	82.7	0.05	0.51
37464	Dump	-	85.9	2.02	2.62
37465	Rock	1.0	1,825.7	0.18	0.31

- 256.0 grams per tonne silver over 1.96 metres;
- 262.0 grams per tonne silver over 1.80 metres; and
- 126.0 grams per tonne silver over 2.60 metres.

(Expressed in Canadian Dollars)

The samples were submitted to Inspectorate Labs in Hermosillo for assaying. Gold was analyzed using a 30g fire assay and silver, lead and zinc were analyzed as part of an ICP package with an AA finish for silver. Due to the small number of samples taken the sampler relied on Inspectorate Lab's internal quality control procedures.

On December 14, 2010, the Company announced that it had begun its Phase I work program on the property. The exploration work consisted of trenching, dewatering, and rehabilitating of historic workings with rock chip sampling of the trenches and underground workings.

The recommended Phase II was initially planned to consist of a multi-level, shallow diamond drilling program to intercept the interpreted higher grade silver ore shoots with the work program expected to begin in February, 2011, but that was subsequently changed.

On June 10, 2011, the Company entered into an agreement with Strachen Resources Ltd ("Strachen") for the conditional sale of the Company's Yoreme project for a total price of $300,000, consisting of 2,500,000 common shares of Strachan and $50,000 cash. On August 31, 2011, the Company and Strachan mutually agreed to terminate this conditional sale.

On May 3, 2012, the Company announced that field work at Yoreme was successful in delineating potential extensions of the San Manuel and prospection located an additional series of sub-parallel veins located near the centre of the property.

A trenching and sampling program totaling 39 samples from 6 trenches, 3 chip channel lines and 4 grabs was completed in order to test for splays off of the main trend and sample newly identified historic workings along the San Manuel vein. Chip channel and trench samples ranged from 0.4 to 5.2 metres in width and the results ranged from below detection to 459.7 ppm silver. No significant gold values were encountered. The trenches did not uncover any significant mineralization, however, sampling at the openings of historic workings in the southern portion of the San Manuel vein returned favourable results that are summarized below results:

Location	Sample	Width (m)	Ag (grams per tonne)
Tiro 56	Channel	0.70	66.9
	Dump	grab	208.1
	Dump	grab	271.9
Tiro Jaime	Channel	3.30	102.0
	incl.	2.10	147.1
	incl.	1.30	179.3
Obra San Manuel	Channel	4.35	198.0
	incl.	1.80	316.5

Two soil grids were sampled over the northern and southern extents of the San Manuel vein with each grid showing multi-element anomalies along strike of the known extent of the vein. These results indicate that the strike length of the San Manuel vein could be as much as one kilometre.

In addition the field program included a 13 line kilometre induced polarization geophysical survey. This survey was successful in identifying an approximately 300 by 400 metre chargeability anomaly located immediately to southwest of the San Manuel vein as well as a linear anomaly near the centre of the property.

Follow up field work has yet to determine the cause of the larger anomaly, however work in the immediate vicinity of the linear anomaly resulted in the discovery of at least 3 sub parallel veins. These new veins are hosted within the intrusive, different to the San Manuel vein, which is hosted within the contact between the intrusive and volcanic rocks.

The rock and soil samples sent to the Inspectorate Labs in Hermosillo and were accompanied with 7 standards and 10 blanks as part of the Company's Quality Assurance/Quality Control procedures with results returning values within acceptable parameters. The samples are inserted 'in series' with the original samples as to represent approximately 5% of all samples submitted to the lab.

No work has been undertaken on the property in 2013 due to difficult market conditions; consequently, the Company has recorded an impairment of $300,000 for the property.

Ian Foreman, P.Geo., a director of the Company, is Golden Sun's Qualified Person, pursuant to National Instrument 43-101 for the Yoreme property and is responsible for the technical information presented in this MD&A..

RESULTS OF OPERATIONS

The Company's net loss for the three months ended July 31, 2013 was $107,983 as compared to a net loss of $249,388 for the three months ended July 31, 2012. The decrease in net loss is due mainly to reduced exploration activity as a result of difficult market conditions.

During the three months ended July 31, 2013, bank charges and interest increased to $889 from $228 for the three months ended July 31, 2012 reflecting poor cash flow. Transfer agent, listing, and filing fees also increased slightly from $7,523 to $7,848. All other expense categories had decreased reflecting decreased operating activities due to difficult market conditions: consulting fees decreased slightly from $45,000 to $43,500; depreciation decreased from $10,121 to $7,368; exploration and evaluations costs decreased significantly from $102,973 to $10,243; insurance decreased from $9,459 to $nil; investor communication costs decreased from $10,500 to $8,015; office, administrative, and travel costs decreased from $20,502 to $18,417; professional fees decreased from $17,144 to $13,247; salaries and benefits decreased from $404 to $nil; and share-based compensation decreased from $23,574 to $nil.

The Company had interest income of $202 for the three months ended July 31, 2013 as compared to $294 for the same quarter last year.

The Company received a tax refund of $135 recorded as other income for the three months ended July 31, 2013 as compared to $nil for the same quarter last year.

There was a foreign exchange gain recorded for the first quarter of this year of $1,207 as compared to a foreign exchange loss of $2,254 for the same quarter last year.

(Expressed in Canadian Dollars)

SUMMARY OF QUARTERLY RESULTS

Quarter Ended		Revenue	Net loss	Loss Per Share
Q1/2014	July 31, 2013	$ -	$ (107,983)	$0.00
Q4/2013	April 30, 2013	$ -	$ (370,930)	($0.01)
Q3/2013	January 31, 2013	$ -	$ (470,367)	($0.01)
Q2/2013	October 31, 2012	$ -	$ (326,933)	($0.01)
Q1/2013	July 31, 2012	$ -	$ (249,388)	($0.01)
Q4/2012	April 30, 2012	$ -	$ (951,179)	($0.02)
Q3/2012	January 31, 2012	$ -	$ (852,688)	($0.02)
Q2/2012	October 31, 2011	$ -	$ (415,306)	($0.01)

LIQUIDITY

The Company does not have any cash flow from operations or any production of mineral resources; accordingly, it must rely on equity and/or debt financing to fund operations. The Company's access to exploration financing when the financing is not transaction specific is always uncertain. There can be no assurance of continued access to any equity and/or debt funding.

The Company's cash on hand decreased from $15,482 at April 30, 2013 to $6,509 at July 31, 2013.

The Company had a working capital deficiency of $14,328 at April 30, 2013 which increased to $114,943 at July 31, 2013. After the Company's share consolidation as approved at the Extraordinary General Meeting held on September 11, 2013, management believes this new corporate structure may enable the Company to raise the funds required to finance its planned pilot mill development and on-going operations. With the Commission's current Cease Trade Order, the Company is unable to raise the necessary capital required through the equity markets. Further, there can be no assurances that the Company will be able to raise additional funds in the future (pending a revoked Cease Trade Order) if the current trend for the lack of private placement money in the junior capital market continues.

The Company's current asset balance of $49,620 (April 30, 2013 - $145,502) is comprised of cash of $6,509 (April 30, 2013 - $15,482), amounts receivable of $nil (April 30, 2013 - $63,971), goods and services tax receivable from the Canada Revenue Agency of $3,978 (April 30, 2013 - $21,688), an amount due from related party of $16,712 (April 30, 2013 - $12,500), a loan receivable of $20,633 (April 30, 2013 - $20,432), and prepaid expenses of $1,788 (April 30, 2013 - $11,429).

The Company's current liabilities total $164,563 (April 30, 2013 - $159,830) and is made up of outstanding accounts payable and accrued liabilities and amounts due to related parties for administrative and exploration expenses.

As of the date of this MD&A, the Company has insufficient working capital to meet its ongoing financial obligations for the coming year. There can be no assurance that future financings will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs. If the Company is unable to obtain the financing necessary to support its operations, it may be unable to continue as a going concern. The Company currently has no commitments for any credit facilities such as revolving credit agreements or lines of credit that could provide additional working capital, and substantial doubt exists regarding the Company's ability to continue as a going concern. The Company has no long term debt, capital lease obligations, operating leases, or any other long term obligations.

(Expressed in Canadian Dollars)

PROPOSED TRANSACTIONS

There are no proposed transactions regarding assets or business acquisitions or disposition, other than those in the ordinary course of business, before the board of directors for consideration.

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

None

RELATED PARTY TRANSACTIONS

The Company has identified certain directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies owned by key management personnel for the three months ended July 31, 2013 and 2012:

	Accounting	Administration Fees	Consulting	Rent	July 31, 2013 Total
Alta Vista Ventures Ltd.	$ -	$ -	$ -	$ 2,250	$ 2,250
Foremost Geological Consulting	-	-	7,500	-	7,500
Foremost Management Services Inc.	-	548	-	-	548
McLeary Capital Management, Inc.	-	-	30,000	-	30,000
T. St. Denis, Inc.	10,000	-	-	-	10,000
	$ 10,000	**$ 548**	**$ 37,500**	**$ 2,250**	**$ 50,298**

	Accounting	Administration Fees	Consulting	Rent	July 31, 2012 Total
Alta Vista Ventures Ltd.	$ -	$ -	$ 15,014	$ 2,250	$ 17,264
Foremost Geological Consulting	-	-	7,500	-	7,500
McLeary Capital Management, Inc.	-	-	30,000	-	30,000
	$ -	$ -	$ 52,514	$ 2,250	$ 54,764

Alta Vista Ventures Ltd. (formerly Yale Resources Ltd.) is a public company with directors in common. Alta Vista Ventures Ltd. charges rent to the Company.

Foremost Geological Consulting is a private business owned by a director, Ian Foreman. Foremost Geological Consulting provides consulting services to the Company. At July 31, 2013, there is $7,700 (April 30, 2013 - $5,425) owing to Foremost Geological Consulting included in the amount due to related parties. On April 4, 2013, Ian Foreman was granted 500,000 stock options at an exercise price of $0.10 per share for a period of five years. These options have a fair value of $8,542.

Foremost Management Services Inc. is a private company owned by two directors of the Company, Mark McLeary and Ian Foreman. Foremost Management Services Inc. provides office administration services to the Company. At July 31, 2013, there is $471 (April 30, 2013 - $nil) owing to Foremost Management Services Inc. included in the amount due to related parties.

McLeary Capital Management, Inc. is a private company controlled by the President and CEO, Mark McLeary. McLeary Capital Management, Inc. provides consulting services to the Company. At July 31, 2013, there is $224 (April 30, 2013 - $10,845) owing to McLeary Capital Management, Inc. included in the amount due to related parties. On April 4, 2013, Mark McLeary was granted 1,000,000 stock options at an exercise price of $0.10 per share for a period of five years. These options have a fair value of $17,085. At July 31, 2013, there is $9,128 (April 30, 2013 - $2,454) owing to Mark McLeary included in the amount due to related parties.

T. St. Denis, Inc. is a private accounting firm owned by the current Chief Financial Officer, Tracey A. St. Denis. T. St. Denis, Inc. provides accounting services to the Company. At July 31, 2013, there is $nil (April 30, 2013 - $10,970) owing to T. St. Denis, Inc. included in the amount due to related parties and $10,000 (April 30, 2013 - $12,500) included in accounts payable and accrued liabilities for the accounting accrual. On September 28, 2012, Tracey St. Denis was granted 200,000 stock options at an exercise price of $0.12 per share for a period of one year. These options have a fair value of $11,371. These options have expired.

At July 31, 2013, there is an amount receivable from Newton Gold Corp. for general working capital purposes, a company with common directors, in the amount of $16,712 (April 30, 2013 - $12,500). The amount is unsecured, without interest, and no fixed repayment date at this time.

At July 31, 2013 there is a loan receivable from Newton Gold Corp. for a payment made to a third party, a company with common directors, in the amount of $20,000 (April 30, 2013 - $20,000). The loan was due upon demand and interest free until January 15, 2013. The loan now bears interest at prime + 1%. Accrued interest of $633 (April 30, 2013 - $432) is included in the amount outstanding.

COMMITMENTS

At July 31, 2013, the Company had the following obligations:

On January 1, 2013, the Company entered into an indefinite term contract with Foremost Management Services Inc., a private company owned by two directors of the Company, Mark McLeary and Ian Foreman. Foremost Management Services Inc. will provide administration services to the Company for a fee equal to 10% of the monthly overhead. The contract may be cancelled by either party with two months' notice at any time after the first year.

On May 1, 2011 the Company entered into an indefinite term contract with McLeary Capital Management, Inc. (the "Consultant"), a private company controlled by the President and CEO of the Company, for the Consultant to continue to act as President and Chief Executive Officer and Director of the Company. A monthly consulting fee of $10,000 plus GST is payable to the Consultant. The contract may be cancelled by either party on 30 days written notice and, if cancelled by the Company, by payment of an amount equivalent to two years annual salary. On termination of the contract the Consultant will be immediately retained by the Company as a non-paid advisor/consultant to the Company until May 1, 2016 or for such time as the Consultant still holds unexercised stock options in the Company. On exercise of the Consultant's options, the relationship between the Consultant and the Company will cease.

The Company has a rental and administrative services agreement with a company that shares directors and officers, Alta Vista Ventures Ltd., and requires the payment of $750 per month plus GST. The agreement is in effect on a month to month basis and may be terminated with 30 days written notice in accordance with the provisions of the agreement.

Effective September 1, 2011, the Company entered into a three year storage rental agreement for an annual fee of US$8,400 for the Cherry Hill property in California. The annual fee is payable at the start of each year. At the end of the initial rental period, the agreement shall renew annually and continue on a year-to-year basis, subject to termination of 60 days written notice by either party.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial instruments

The carrying values of cash, amounts receivable, due from related party, loan receivable, accounts payable and accrued liabilities, and due to related parties approximate their carrying values due to the immediate or short-term nature of these instruments.

Fair value hierarchy

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – cash and quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash, amounts receivable, due from related party, and loan receivable.

The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada, the United States, and Mexico.

Management considers the risk of non-performance related to cash, amounts receivable, due from related party, and loans receivable to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by trying to maintain adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity and/or debt financing. Cash on hand at July 31, 2013 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

Accounts payable and accrued liabilities and amounts due to related parties are classified as current and are due within twelve months of the consolidated statements of financial position date.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

Interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company is not exposed to interest rate price risk as it does not have any cash and cash equivalents at July 31, 2013 which bear interest. The Company does have a loan receivable which bears interest with no material risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in a foreign currency.

The Company is exposed to foreign currency risk with respect to cash, amounts receivable, and accounts payable and accrued liabilities, as a portion of these amounts are denominated in US Dollars and Mexican Pesos as follows:

(Expressed in Canadian Dollars)

	July 31, 2013		April 30, 2013	
	USD	MXN	USD	MXN
Cash/bank overdraft	$ 872	$ 12,873	$ 8,165	$ 13,430
Amounts receivable	-	-	-	-
Accounts payable and accrued liabilities	(50,948)	-	(32,697)	-
	$ (50,076)	$ 12,873	$ (24,532)	$ 13,430
Rate to convert to $1 CDN	$ 1.0287	$ 0.0801	$ 1.0072	$ 0.0830

The Company manages foreign currency risk by minimizing the value of financial instruments denominated in foreign currency. The Company has not entered into any foreign currency contracts to mitigate this risk.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from last year.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, warrants, options, reserves, and deficit. The availability of new capital will depend on many factors including a positive mineral exploration environment, positive stock market conditions, the Company's track record, and the experience of management. The Company is not subject to any external covenants on its capital.

OTHER RISKS AND UNCERTAINTIES

The Company is an exploration stage company with respect to its mineral interests. Based on the information available to date, the Company has not yet determined whether its mineral interests contain economically recoverable reserves. The recoverability of the amounts shown for mineral interests is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their development, and upon future profitable production.

In conducting its business, the Company is subject to a number of other risks and uncertainties that could have a material adverse effect on the Company's business prospects or financial condition that could result in a delay or indefinite postponement in the development of the Company's mineral interests.

Risks associated with exploration stage companies

Exploring for mineral resources involves a variety of operational, financial, and regulatory risks that are typical in the natural resource industry. The Company has not commenced commercial operations and has not proven history of performance, earnings, or success. There is no guarantee that the Company will ever be able to achieve profitable results or successfully execute its business plan. The Company's Common Shares must be considered speculative primarily due to the nature of the Company's business and early stage of development. The Company has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions, and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of it equity or debt securities or joint venture agreements to raise capital. There can be no assurance that financing, whether equity or debt, will be available to the Company in the amount required by the Company at any particular time or for any period, and that such financing can be obtained on terms satisfactory to the Company.

Exploration and development

At this time, the Company's primary mineral property is in the exploration stage and the Company does not have an operating history with respect to its exploration activities. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs which may be affected by a number of factors such as unusual or unexpected geological formations, and other conditions.

Property title

Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties it owns, controls, or has the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral interests may be subject to prior unrecorded agreements or transfers or native land claims, and title may be affected by undetected defects. There may be valid challenges to the title of the Company's mineral interests which, if successful, could impair development and operations. This situation may by exacerbated due to the large number of title transfers historically involved with some properties.

Licenses and permits

The Company will require licenses and permits from various governmental authorities regarding the Company's mineral interests. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, and mining operations for its mineral interests. Failure to obtain and maintain such licenses and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration and development work which may result in its losing its interest in the subject property.

Operating hazards and risks

Fires, power outages, labour disputes, flooding explosions, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment, or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company, and may render the Company's properties uneconomic. The Company has no liability insurance and the Company may become subject to liability for pollution, cave-ins, or hazards against which it cannot insure, or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect of the Company's financial position.

Competition

The mining industry is intensely competitive and the Company must compete in all aspects of its operations with a substantial number of other corporations which have greater technical and financial resources. The Company may be unable to acquire additional attractive mining properties on terms it considers acceptable.

Profitability of operations

The Company does not have profitable operations at this time and it should be anticipated that it will operate at a loss until such time as production is achieved from its properties, if production is in fact ever achieved. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

(Expressed in Canadian Dollars)

Foreign currency risk

At this time, the Company's primary mineral property is located in the United States. Future changes in exchange rates could materially affect the viability of exploring and development this property.

Market risks

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. Mineral prices have fluctuated widely in recent years. The marketability and price of minerals which may be produced or acquired by the Company will be affected by numerous factors beyond the control of the Company. These factors include delivery uncertainties related to the proximity of its reserves to processing facilities, and extensive government regulation relating to price, taxes, royalties, allowable production land tenure, the import and export of minerals, and many other aspects of the mining business. Declines in mineral prices may have a negative effect of the Company.

Future financings

If the Company's exploration programs are successful, additional funds will be required for further exploration and development to place a property into commercial production. The Company's available sources of funds are: existing cash; the further sale of equity capital; and the offering by the Company of an interest in its properties to be earned by another party or parties carrying out further exploration or development thereof. There is no assurance such sources will continue to be available on favourable terms or at all. If available, future equity financings may result in dilution to current shareholders.

Going concern

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its on-going commitments and further its mineral exploration programs.

CAPITAL RESOURCES

Common shares

	Number		Issued Price		Amount
Balance at April 30, 2012	47,183,000	$	-	$	5,725,782
Shares issued for cash	7,785,336		0.12		893,721
Balance at April 30, 2013 and October 17, 2013	**54,968,336**			**$**	**6,619,503**

(Expressed in Canadian Dollars)

Warrants outstanding

	Number of Warrants		Weighted Average Exercise Price
Balance at April 30, 2012	560,000	$	0.51
Warrants issued	7,785,336	$	0.17
Warrants expired	(475,000)	$	0.56
Balance at April 30, 2013 and October 17, 2013	**7,870,336**	**$**	**0.18**

Expiry Date	Number of Warrants		Exercise Price
September 6, 2014	1,775,336		$0.17/$0.25
September 21, 2014	1,475,000		$0.17/$0.25
November 16, 2014	4,055,000		$0.17/$0.25
February 8, 2015	85,000		*See below
May 15, 2017	480,000		**See below
	7,870,336	**$**	**0.18**

On February 8, 2010, the Company issued 14,668,000 warrants in connection with a non-brokered financing. The warrants have a five year term and are exercisable at $0.10 during the first year, $0.15 during the second year, $0.25 during the third year, $0.50 during the fourth year, and $1.00 during the fifth year.

**On May 14, 2012, the Company issued 480,000 warrants in connection with a non-brokered financing. The warrants have a five year term and are exercisable at $0.25 during the first year, $0.40 during the second year, $0.50 during the third year, $0.75 during the fourth year, and $1.00 during the fifth year.

Agent warrants outstanding

	Number of Warrants		Weighted Average Exercise Price
Balance at April 30, 2012	-	$	-
Warrants issued	305,033	$	0.17
Balance at April 30, 2013 and October 17, 2013	**305,033**	**$**	**0.17**

(Expressed in Canadian Dollars)

Expiry Date	Number of Warrants		Exercise Price
September 6, 2014	167,533		$0.17/$0.25
September 21, 2014	110,000		$0.17/$0.25
November 16, 2014	27,500		$0.17/$0.25
	305,033	**$**	**0.17**

Share purchase options outstanding

	Number of Options		Weighted Average Exercise Price
Balance at April 30, 2012	2,900,000	$	0.34
Options granted	3,625,000	$	0.12
Options cancelled	(1,550,000)	$	0.17
Options expired	(600,000)	$	0.49
Balance at April 30, 2013	4,375,000	$	0.20
Options cancelled	(50,000)	$	0.32
Options expired	(300,000)	$	0.12
Balance at October 17, 2013	**4,025,000**	**$**	**0.20**

Grant Date	Expiry Date	Number of Options Outstanding		Exercise Price
January 8, 2013	January 8, 2014	150,000	$	0.10
January 2, 2013	January 1, 2015	375,000	$	0.10
December 21, 2010	December 21, 2015	1,000,000	$	0.28
December 12, 2011	December 12, 2016	1,000,000	$	0.32
April 4, 2013	April 4, 2018	1,500,000	$	0.10
		4,025,000	**$**	**0.20**

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.