Silver Sun Resource Corp.

400 - 409 Granville Street
Vancouver, B.C.
V6C 1T2

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended January 31, 2011

SILVER SUN RESOURCE CORP.

Form 51-102F1 – Management's Discussion & Analysis
For the Three Months Ended January 31, 2011

1.1 March 29, 2011

Introduction

The following management's discussion and analysis, prepared as of March 29, 2011, is a review of operations, current financial position and outlook for Silver Sun Resource Corp. (the "Company") and should be read in conjunction with the Company's audited financial statements for the year ended April 30, 2010 and the notes thereto. Amounts are reported in Canadian dollars based upon financial statements prepared in accordance with Canadian general accounting principles. Additional information relevant to the Company's activities can be found at www.sedar.com.

Forward-Looking Statements

Certain statements contained in the following Management's Discussion and Analysis (MD&A) constitute forward-looking statements. 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. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. 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 uncertainties involved in disputes and litigation, 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 and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

1.2 Overall Performance

Description of Business

The Company was incorporated under the Business Corporations Act (British Columbia) on March 14, 2007, and was classified as a Capital Pool Company as defined in TSX Venture Exchange (the "Exchange") Policy 2.4. On October 1, 2007, the Company's common shares were listed and posted for trading on the Exchange under the symbol "SSU".

On August 14, 2008, the Company entered into an Option Agreement with Yale Resources Ltd. ("Yale") whereby the Company obtained an option to acquire 100% of Yale's 65% vested participating interest in a Joint Venture Agreement dated August 8, 2008, between Yale and Impact Silver Corp. ("Impact"), with respect to three mining concessions in Zacatecas, Mexico. The venture 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.

In order to exercise the option, the Company agreed to pay $150,000 and issue 500,000 common shares to Yale and incur exploration expenditures of $200,000 over a 13-month period. The Company also agreed to pay US$250,000 to Yale if the property was included in a positive feasibility study or is part of a production on the property that is greater than 500 tones per day. The Company subsequently paid $50,000 towards the $150,000 payment obligation and issued 200,000 shares towards the 500,000 shares issuable to Yale. The remaining $100,000 payment was waived in the January 14, 2010 amendment to the option agreement and the Company issued 300,000 shares to Yale to complete its option to purchase three mining concessions in Zacatecas, Mexico. The $50,000 in cash and $37,500 being the value of the 500,000 shares issued to Yale have been charged to Mineral Properties.

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 now has a 73% interest in the Joint Venture with IMPACT. The Company is currently completing the metallurgical testing on the ore and has recently received the mining and reclamation permits required from the Mexican government in order to put this property into production.

Overview and Results of Exploration of Zacatecas Property

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 with Tekhne Research Inc. of Victoria, BC, an arms-length company, on 15 November 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. entitled “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. Phase 2 was the 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 m 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 of NTW coring 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, BC Canada.

The Technical Report (available on www.sedar.com) prepared by the Company’s Qualified Person, Edward M. Lyons, P. Geo. provides 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 g/T Ag as average samples and selected dump samples, specifically selected to show the best potential values, of 4,900 g/T Ag with 6% Zn and 1-2% Pb. The drill results encountered the veins as zones to 1,340 g/T 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 100-288 g/T Ag with selected material typically 3-4 times higher. Drill intersections returned a maximum of 382 g/T Ag over 0.5 m true width on the Salvador Vein and 275 g/T Ag over 0.61 m true width with less than 1% Pb and Zn respectively.

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. Silver Sun is in discussions with IMPACT Silver Corp., owners of the remaining 27%, regarding the option to process ore at their wholly-owned mill which is 1,000 meters from the property. [any update?] On August 3, 2010, the Company announced that it has 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%.

Description of Properties

Property Area:

The Mina San Jose property consists of one exploration concession of 40 hectares (ha). The Salvador-Zacatecas property consists of the Salvador exploitation concession which is 32 ha, while the adjacent Zacatecas exploration concession has 8.712 ha for a total of 40.712 ha.

Location:

The properties are located about 10-16 km north and northwest of the city of Zacatecas, the capital of Zacatecas State, Mexico. The properties are located in the Central Mesa plateau in north central Mexico, situated in the states of Zacatecas, Aguascalientes, and San Luis Potosi. The topography is flat to undulating plateaus cut by small, frequently dry streams that flow out to broad valleys, which are agriculture centres. Elevations in the immediate area of the property are 2300-2450 m above sea level. Access to the projects is from paved National and State highways extending from the city of Zacatecas to neighboring towns, including Vetagrande, Nuevo Hacienda, and Morelos. Gravel roads in good repair access the interiors of the properties.

List of Mineral Tenures:

Concession	Title No.	Claim Type	Area (ha)	Date registered
Mina San Jose	T-225854	Exploration	40	28 Oct. 2005
Salvador	T-181880	Exploitation	32	16 Dec. 1987
Zacatecas	T-219098	Exploration	8.712	4 Feb. 2003

The properties are presently registered in the name of Minera Aguila Plateada S.A. de C.V. which is a wholly owned subsidiary of Impact Silver Corp. We hold a 73% interest in the Concessions pursuant to the Joint Venture Agreement between Yale Resources Ltd. and Impact dated July 25, 2008. We acquired Yale’s interest in the Joint Venture Agreement pursuant to an Option Agreement with Yale dated August 14, 2008 as amended on January 8, 2010.

Yoreme Mineral Claim, Sonora , Mexico

On December 20, 2010, the Company entered into a mineral property purchase agreement with Maggiore Capital Limited pursuant to which the Company has acquired one hundred percent (100%) right, title and interest in the Yoreme mineral claim (the "Property"). The Property is 400 hectares in size and is located in the Municipality of Alamos, state of Sonora, Mexico. The consideration paid for this mineral property is 2,500,000 common shares of the Company. The Company agreed to pay an additional 200,000 shares as a finders' fee on this purchase.

British Columbia Mineral Claims

On May 3, 2010, the Company acquired an option to purchase a one hundred percent (100%) interest in five contiguous mineral claims covering a combined area of approximately 2431.79 hectares located in the Cariboo mining district in British Columbia (the "Property"). The Property borders an area owned by Barkerville Gold Mines Ltd.

In consideration for the acquisition of the Option, the Company agreed to issue 2,000,000 common shares of the Company. The Company engaged a consulting geologist to conduct certain preliminary exploration activities on the property, including stream sampling and mapping. As a result of this preliminary exploration activity by the geologist, the Company decided during the quarter to terminate its option in the property and write off the $160,000 of value that were assigned to the 2,000,000 common shares issued for the option.

1.3 Selected Financial Information

	Three Months ended January 31, 2011 $	Nine Months ended January 31, 2011 $	Three Months ended January 31, 2010 $	Nine Months ended January 31, 2010 $
Operating Costs:				
Administrative costs	29,399	68,575	2,687	8,852
Bank charges & interest	44	693	79	304
Management and consulting fees	38,450	150,600	-	-
Mineral property exploration costs	10,657	26,469	14,234	21,216
Professional fees	37,384	72,240	11,352	19,450
Stock based compensation	630,228	630,228	43,821	43,821
Transfer agent, filing and listing fees	13,325	16,020	4,857	7,767
Write off of mineral properties	-	160,000	-	-
Subtotal	759,487	1,124,825	77,030	101,410
Interest income	573	1,235	5	28
Loss for the period	758,914	1,123,590	77,025	101,382
Basic and diluted loss per share	(0.02)	(0.04)	(0.01)	(0.01)

Balance Sheet:	As at January 31, 2011	As at April 30, 2010
Working capital	1,935,558	798,080
Total assets	2,918,917	907,491
Total long-term liabilities	Nil	Nil

1.4 Results of Operations

During the three months ended January 31, 2011, the Company incurred a net loss of $758,914 compared to a net loss of $77,025 for the three months ended January 31, 2010. This increase in net loss was due primarily to travel costs which were charged to administrative costs, $38,450 in management and consulting fees, legal fees relating to the acquisition of the new property in Mexico and the stock based compensation charge for the new stock options issued.

On January 26, 2010, the Company entered into contracts with three individuals, all of whom were at arms length from the Company, to provide consulting services to the Company for the period February 1, 2010 to January 31, 2011. Under the terms of the consulting agreements, the consultants are advising the Company in business, business development, and exploration and development of properties and identifying business opportunities as well as consulting with the Company regarding the development of new business projects, including land acquisitions and project development. The Company paid these individuals $220,800 in total for this one year period. This $220,800 was paid in advance and expensed at a rate of $18,400 per month. On November 25, 2010 the Company announced that it has terminated the contracts with these individuals and that the Company has received a refund of $92,000 from these individuals.

For the three months ended January 31, 2011, the Company reported no discontinued operations, no changes in accounting policy and declared no cash dividends. The Company had no sales revenue during the three months ended January 31, 2011. The Company is engaged in mineral exploration and development activities in the Zacatecas region of Mexico. The Company may not have the financial resources to pay its financial commitments or complete these exploration and development activities.

1.5 Summary of Quarterly Results

	Q3 January 31, 2011	Q2 October 31, 2010	Q1 July 31, 2010	Q4 April 30, 2010	Q3 January 31, 2010	Q2 October 31, 2009	Q1 July 31, 2009	Q4 April 30, 2009
Interest Income	$573	$528	$133	$55	$5	$10	$13	$217
Expenses	759,487	253,363	111,973	187,834	77,031	7,835	16,545	205,468
Net loss	758,914	252,835	111,840	187,779	77,026	7,825	16,532	205,251
Basic and diluted loss per share	(0.02)	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)	(0.03)

1.6 Liquidity

The Company had $1,935,558 of working capital as at January 31, 2011 compared to $798,080 as at April 30, 2010. As the Company does not have any cash flow from operations or any production of mineral resources, it must rely on equity financing to fund operations. As of the date of this MD&A, the Company has sufficient working capital at this time to meet its ongoing financial obligations for the coming year (see Subsequent Events) and fund its planned work on its Zacatecas project**.**

1.7 Capital Resources

As of the date of this MD&A, the Company has no outstanding capital commitments other than the option agreement with Yale outlined in Section 1.2 above. [cross reference subsequent event re. Cherry Hill commitments?] The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company has sufficient working capital at this time to meet its ongoing financial obligations.

1.8 Related Party Transactions

During the three months ended January 31, 2011, the Company paid management fees of $15,000 (2010 - $nil) to the president and director of the Company.

1.9 Subsequent Events

On March 21, 2011 the Company announced the signing of the definitive agreement for the purchase of a 51% interest in the Cherry Hill Mining Project, located in Siskiyou County, northern California, whose key asset is the past producing Cherry Hill Mine.

The Cherry Hill Mining Project 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 and one mill site claim that includes a 750-ton-per-month gravity circuit mill with all machinery and equipment.

In consideration of the acquisition of a 51percent interest in the project, the company agreed to pay $555,000 (U.S.) to Cherry Hill. The company has made a non-refundable deposit of $10,000 (U.S.) to Cherry Hill to be credited against the purchase price. Closing of the transaction, on or before April 15, 2011, is subject to a number of conditions including the satisfactory completion of the parties' due diligence investigations; and obtaining all applicable regulatory and corporate approvals and consents. There are no finders' fees payable in connection with the proposed transaction.

For the period February 1, 2011 to March 29, 2011 the Company has received $46,600 in cash from the exercise of 366,600 share purchase warrants and 50,000 share purchase options.

1.10 Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

1.11 Proposed Transactions

None.

1.11 Critical Accounting Estimates.

Not applicable.

1.12 Accounting Policies including Initial Adoption

International Financial Reporting Standards (IFRS)

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of May 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended April 30, 2011.

The Company's management continues to study IFRS technical issues in order to understand the possible significant changes to the Company's financial reporting. Management understands that these IFRS issues will require that the interim and annual financial statements of the Company provide more significant disclosures and different statement format presentation both during the transition to IFRS and for the future periods after the adoption of IFRS.

Management met with Company's auditors this fall to start work on the restatement of the financial statements for comparative purposes. To date, there appears to be no material restatement of the financial statements that will be required, other than an adjustment between Contributed Surplus and Retained Earnings for the value of options and warrants that were issued and have expired or were cancelled. Company is currently in the exploration stage with regard to its properties and does not believe there are complex accounting or infrastructure issues that need to be resolved. Accordingly management believes that this timeframe is sufficient to allow an orderly transition to IFRS. Management will ensure that additional discussion is included in the MD&A on a going-forward basis.

See Note 2 to the Company's financial statements for the year ended April 30, 2010, filed on SEDAR on August 30, 2010 for the complete disclosure of the Company's significant accounting policies.

1.13 Financial Instruments and Other Instruments

See Note 2 to the Company's financial statements for the year ended April 30, 2010, filed on SEDAR.

1.15 Additional Information

Outstanding Share Data as at January 31, 2011 and as at March 29, 2011

Common shares	**January 31, 2011**	**March 29, 2011**
- Issued	42,818,400	43,235,000
- Issuable on the exercise of stock options	2,850,000	3,200,000
- Issuable on the exercise of warrants	949,600	583,000

1.16 Disclosure Controls and Procedures and Internal Controls and Procedures

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which does 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 National Instrument 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

> (a) 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
>
> (b) 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 Company'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 this certificate. 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.

1.17 Risks and Uncertainties

Investing in the Company involves risks that should be carefully considered. In addition to the risks involved, should the Company be required to value its assets and liabilities other than on a going-concern basis as discussed above and below, in conducting its business, the Company is subject to a number of other risks and uncertainties, including those discussed below, that could have a material adverse effect on, among other things, the Company's business prospects or financial condition and could result in a delay or indefinite postponement in the development of the Company's properties and projects. See also "Forward-Looking Statements" above.

Risks Associated with Exploration Stage Companies. The Company's business of 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 no 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, and the Company's Common Shares must be considered speculative, primarily due to the nature of the Company's business and early stage of development.

Risks Associated with Property Interests in Mexico and the United States. The Company's property interests are located in Mexico and the United States. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability are beyond the control of the Company and may adversely affect its business. In addition, shortages of skilled labor and deficiencies in infrastructure may negatively influence costs of exploration and development.

Risks Associated with the Need for Additional Financing. The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its property interests or to fulfill its obligations under applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of new projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its properties, and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

The Company is in the exploration stage and 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 its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, 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.

Operational Risks Associated with Our Mining Properties. The operations of the Company will require licenses and permits from various governmental authorities. 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 at its projects. Failure to obtain 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 it losing its interest in the subject 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, particularly gold and silver prices, have fluctuated widely in recent years. The marketability and price of silver and gold which may be produced or acquired by the Company will be affected by numerous factors beyond the control of the Company. These other 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 on the Company.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. . The junior resource industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

Competition Risks. 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 or financial resources. The Company may be unable to acquire additional attractive mining properties on terms it considers to be acceptable.

Environmental Risks Associated with our Operations. The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. Failure to comply with such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Risks Associated with Conflicts of Interest. Certain directors and officers of the Company are also directors, officers and shareholders of other natural resource or public companies, as a result of which they may find themselves in a position where their duty to another company conflicts with their duty to the Company. There is no assurance that any such conflicts will be resolved in favor of the Company. If any of such conflicts are not resolved in favor of the Company, the Company may be adversely affected.

1.18 Going Concern Risk

The Company is in the exploration stage and 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 its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, 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.

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 ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The junior resource industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.