GTA RESOURCES AND MINING INC.
(formerly GTA CORPFIN CAPITAL INC.)

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")
For the year ended March 31, 2011

July 28, 2011

General

GTA Resources and Mining Inc. (the "Company") is a development stage public company engaged in exploration for mineral deposits in Canada.

The following discussion of the financial condition and results of operations of the Company constitutes management's review of the factors that affected the Company's operating performance for the year ended March 31, 2011. The discussion should be read in conjunction with the audited annual financial statements of the Company for the year ended March 31, 2011, including the notes thereto.

Unless otherwise stated all amounts discussed herein are denominated in Canadian dollars and all financial information (derived from the Company's financial statements) has been prepared in accordance with generally accepted accounting principles.

Forward Looking Information

Certain information regarding the Company within Management's Discussion and Analysis ("MD&A") may include "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such thing as future business strategy, goals, expansion and growth of the Company's business, plans and other such matters are forward-looking statements. When used in this MD&A the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements. Such statements by their nature involve certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect. The reader should not rely solely on these forward-looking statements.

Overview

GTA Resources and Mining Inc. was incorporated on August 9, 2006 as GTA CorpFin Capital Inc. and filed Articles of Amendment in June 2010 to change its name following the close of its Qualifying Transaction ("QT"). The Company listed its common shares on the TSX Venture Exchange (the "Exchange") for trading following the completion of its initial public offering ("IPO") as disclosed in a prospectus filed with the regulators and dated August 30, 2007.

At the time of its IPO, the Company was classified as a Capital Pool Company as defined in the policies of the Exchange.

On April 8, 2010, the Company entered into a purchase agreement with 1518164 Ontario Inc. ("151") to acquire from 151 a 100% interest in the mineral claims comprising the Auden Property in northern Ontario upon the issuance of 5,074,855 common shares of the Company and the granting of a royalty of 3% of any metals and minerals derived from the Auden Property and the granting of a royalty of 10% of any diamonds and gems derived from the Auden Property. The Company retained the right to purchase one-half of the royalties at any time for an aggregate sum of $2,000,000.

This transaction served as the Company's QT, as defined in Policy 2.4 of the Exchange, and closed on June 21, 2010, the date on which the Exchange issued its Final Exchange Bulletin.

Financing

Concurrently with the acquisition of the Auden Property, the Company completed an equity financing which raised $720,000. The financing was comprised of a flow-through financing of $225,000 and a hard cash financing of $495,000. The flow-through financing was comprised of 900,000 units at a price of $0.25 per unit, where each unit consists of one common share of the Company and one share purchase warrant, where the holder of each share purchase warrant will be able to purchase one additional common share of the Company at a price of $0.30 until June 21, 2011. The hard cash financing was comprised of 2,475,000 units at a price of $0.20 per unit, where each unit consists of one common share of the Company and one share purchase warrant, where the holder of each share purchase warrant will be able to purchase one additional common share of the Company at a price of $0.30 until June 21, 2011. All warrants are subject to an acceleration clause which allows the Company to accelerate the warrants' expiry date in the event the closing price of trading in the Company's common shares is equal to or greater than $0.45 for a period of twenty (20) consecutive trading days.

Corporate Matters

On June 21, 2010 Rick Patmore, Jeffrey Wood, and John Zammit resigned as directors of the Company, and Josef Zankowicz resigned as Vice President of Business Development.

On June 21, 2010 Darin Wagner, Stephen Stares, Michael Stares, and Clinton Barr were appointed as directors of the Company, and Robert Duess was appointed Vice President Exploration

On June 30, 2010 the Company changed its name from GTA CorpFin Capital Inc. to GTA Resources and Mining Inc.

Selected Annual Financial Information

	For the Year Ended March 31, 2011 (audited)	**For the Year Ended March 31, 2010 (audited)**
Revenue	$ -	$ -
Net loss	$ (182,537)	$ (39,332)
Loss per share	$ (0.02)	$ (0.01)
Total assets	$ 2,137,300	$ 307,684
Weighted average shares-basic and fully diluted	10,998,033	4,446,502

Selected Quarterly Financial Information

2011

	Quarter 1 June 30 (unaudited)	Quarter 2 September 30 (unaudited)	Quarter 3 December 31 (unaudited)	Quarter 4 March 31 (unaudited)
Revenue	$ -	$ -	$ -	$ -
Net loss	$(117,329)	$ (20,738)	$ (16,124)	$ (28,346)
Loss per share, basic and diluted	$ 0.02	$ 0.00	$ 0.00	$ 0.00

2010

	Quarter 1 June 30	Quarter 2 September 30	Quarter 3 December 31	Quarter 4 March 31

	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	$ 254	$ 186	$ 3,750	$ 1,259
Net loss	$ (12,579)	$ (9,190)	$ (5,240)	$ (12,323)
Loss per share, basic and diluted	$ 0.00	$ 0.00	$ 0.00	$ 0.00

For the year ended March 31, 2011, the Corporation reported no discontinued operations and declared no dividends.

Results of Operations

For the year ended March 31, 2011, professional fees increased by $14,124 over the prior fiscal year due to increased activity by professional advisors with respect to the QT. General and administrative expenses increased from the prior year by $161,765 due to the commencement of management compensation following the QT and increases in office and administration expenses. Filing and transfer agent fees were higher by $4,450 as a result of increased filing activity associated with the QT.

Basic and diluted loss per share, based on the weighted average number of common shares outstanding during the period was $0.02 per share.

Liquidity

As at March 31, 2011, the Company's assets included cash and cash equivalents of $ 534,436 generated from the proceeds of the initial capitalization, initial public offering, and equity financing in conjunction with the Company's QT. It is Management's opinion that the Company has sufficient financial resources to meet its corporate, administrative and property obligations for the coming year.

The only material ongoing contractual obligations of the Company relate to the payment of transfer agency fees and legal, audit and accounting fees.

Mineral Properties

The Company acquired a 100% interest in the Auden Property during the period in exchange for the issuance of 5,074,855 common shares of the Company at a deemed price of $0.20 per common share for total value of $1,014,971.

The Company subsequently staked additional claims contiguous to the claims acquired as noted above.

The Auden Property is located between 19 and 30 kilometres north of Highway 11 between the towns of Hearst and Longlac, in northern Ontario and consists of 107 claims (1596 units) covering a total of 25,000 hectares covering the eastern portion of a greenstone belt which lies approximately 110 kilometres to the east of the west end of the Beardmore-Geraldton greenstone belt, which has historic gold production in excess of 4 million ounces. The claims are all located in the Porcupine Mining Division, in Auden Township, Pitopiko River Area, Feagan Lake Area, Fintry Township, Mulloy Township, Rowlandson Township, Shuel Township and Limestone Rapids.

Based on historical drilling, encouraging gold mineralization is known to occur on the Auden Property, and gold mineralization occurs in a variety of geological settings. Previous exploration on the Auden Property has identified gold mineralization associated with sulphide facies iron formation, silica facies iron formation, quartz – carbonate – tourmaline veining with mafic volcanics and volcanic tuffs, metasediments mineralized with pyrite and pyrrhotite and conglomerate mineralized with pyrite and pyrrhotite.

The Company continues to consult with the local First Nation membership with respect to exploration activity on the Auden Property.

The Company has been granted an extension of time, to a maximum of twelve months, to complete exploration work on eighteen of its mining claims within the Auden Property.

Proposed Joint Venture

On October 12, 2010 the Company entered into a letter of intent with Vancouver based Lakeland Resources Inc. for a proposed option and joint venture agreement to acquire up to a 70% undivided interest in the rights to certain mineral claims of the Company which comprise its Auden property. A definitive agreement, which will replace the letter of intent, is anticipated during the 2012 fiscal year.

Collection of Loan Receivable

On May 31, 2010 on the maturity date of the loan receivable, the Company received $25,000 in cash and a promissory note, bearing interest at the rate of 5% per annum, in the amount of $25,000 from a director of SportsCentre Development Inc. The promissory note matured on September 30, 2010 and the Company received the principal amount of $25,000 plus accrued interest.

Accounting Policies including Initial Adoption

During the year ended March 31, 2011 the Company adopted the following accounting policies:

<u>Mineral Properties and Deferred Exploration Expenditures</u>

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production or written down if the properties are allowed to lapse, are abandoned, are impaired or continued development is not deemed appropriate in the foreseeable future.

Costs include the cash consideration and the fair market value of the shares issued for the acquisition of mineral properties. The carrying value of an individual property is reduced by option proceeds received until such time as the property cost and deferred expenditures are reduced to nominal amounts and any excess will be recorded as a gain. Properties acquired under option agreements or by joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at the time of payment.

Flow-Through Financing

Under this arrangement, shares are issued which transfer the tax deductibility of mineral property development expenditures to investors. Proceed received in the issuance of these shares have been credited to share capital and the related development costs will be capitalized to mining and resource properties in the year in which they are incurred.

The entire amount of the flow-through financing received was renounced to investors. Accordingly, as the actual expenditures are incurred, they will carry no tax deductibility and the result will be amounts subject to tax. Future income tax liabilities resulting from these tax differences are recorded in the year in which the expenditures are renounced when the forms are filed with the Canada Revenue Agency and the share capital is reduced, provided there is reasonable assurance that the expenditures will be made. Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property development expenditures within a two year period.

During the period ended December 31, 2010, the Company issued 900,000 flow-through shares for consideration of $225,000 and is committed to spend the funds prior to December 31, 2011.

Asset Retirement Obligation

CICA Handbook Section 3110 requires companies to record the fair value of an asset retirement obligation as a liability in the period in which it incurred a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The obligation is measured initially at fair value using discounted future cash flows and the resulting costs are capitalized into the carrying amount of the related asset. In subsequent period, the liability will be adjusted for any changes in the amount or timing of the underlying future cash flows. Capitalized retirement costs are depreciated on the same basis as the related asset and the discounted accretion of the liability is included in determining the results of operations.

The Company has not performed any exploratory work on its mineral properties and has not incurred any reclamation obligations.

International Financial Reporting Standards (IFRS)

In February 2008, the CICA announced that Canadian GAAP for publicly accountable enterprises will be replaced by International Financial Reporting Standards ("IFRS") for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The standard also requires that the comparative figures for 2010 be based on IFRS.

The Company has implemented a four stage conversion process into IFRS. Phase1-preliminary plan and scoping, Phase 2-detailed assessment, conversion planning and development, Phase 3-implmentation and parallel reporting, and Phase 4-ongoing monitoring and IFRS updates. As of March 31, 2011 the Company is in Phase 3 which includes implementation and parallel reporting.

The Company intends to engage its auditors to review its determination of accounting policies under IFRS, the quantitative impact of adopting IFRS on its financial statements and its first interim IFRS financial statements (Q1 2012).

Impact of Adopting IFRS on the Company

As part of its analysis of expected changes to significant accounting polices, the Company is assessing what changes may be required to its accounting systems and business processes. The Company believes that the changes identified to date are minimal and the systems and processes ca accommodate the necessary changes.

To date, the Company has not identified any contractual arrangements that may be affected by potential changes to significant accounting policies.

The Company's staff and advisers involved in the preparation of the financial statements are being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies.

The Board of Directors and the Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and made aware of the evaluation to date of the key aspects of IFRS affecting the Company.

First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 First-Time Adoption of International Financial Reporting Standards ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS, effective at the end of the entity's first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has identified the following optional exemptions that it expects to apply in its preparation of an opening IFRS statement of financial position as at April 1, 2010, the Company's transition date:

- To apply IFRS2 Share-based Payments only to equity instruments issued after November 7, 2002, that had not vested by the transition date.
- To apply IFRS 3 Business Combinations prospectively from the transition date, therefore not restating business combinations that took place prior to the transition date.

Prior to reporting interim financial statements in accordance with IFRS for the quarter ended June 30, 2011, the Company may decide to apply other optional exemptions contained in IFRS.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as the Transition Date will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements. However, based on its evaluation to date, the Company does not expect any changes to its accounting policies that would result in significant changes to line items within its financial statements.

The following provides a summary of the Company's evaluation of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas that it has identified as having the most potential for a change in its significant accounting policies on adoption of IFRS. At the present time, however, the Company is not aware of any significant expected changes that would affect the summary provided below.

1. Exploration and Evaluation Expenditures

   IFRS currently allows an entity to retain its existing accounting policies related to the exploration for and evaluation of mineral properties, subject to some restrictions.

   The Company expects to retain its current policy of deferring exploration and evaluation expenditures. However, the Company expects to change its accounting policies such that exploration costs are reclassified when technical feasibility and commercial viability are demonstrable. The Company expects the retrospective application of this change in accounting policy will not have a significant effect on its financial statements.

2. Impairment of (Non-financial) Assets

   IFRS require a write-down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write-down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

   The Company expects to change its accounting policies related to impairment of non-financial assets to reflect these differences. The Company has not completed its impairment assessments as at the transition date in accordance with IFRS, but expects that retrospective application of this change will not have a significant impact on the carrying value of its assets.

3. Share-based Payments

   In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

   The Company expect that, due to the nature of its share-based compensation plans, no significant changes to its accounting policies will be required.

4. Asset Retirement Obligations (Decommissioning Liabilities)

   IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

   The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, the Company expects that retrospective application of this change will not have a significant impact on the carrying value of its assets. In addition, the Company expects that differences in the measurement of provisions under IFRS will not have a significant effect on its financial statements.

5. Income Taxes

   IFRS contains some different guidance related to recognition and measurement of future (deferred) income taxes. One of those differences relates to accounting for flow-through common shares, for which IFRS does not include the same level of specific guidance provided under current Canadian GAAP.

   The Company has not completed its detailed evaluation of the differences between IFRS and current Canadian GAAP related to accounting for income taxes. These differences could require changes to accounting policies that may impact the Company’s financial statements and require adjustments to future (deferred) income taxes and shareholders’ equity.

Subsequent Disclosures

Further disclosures of the IFRS transition process are expected as follows:

- The Company’s first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending June 30, 2011, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim financial statements for the three months ending June 30, 2011, will also include June 30, 2010 financial statements for the comparative period adjusted to comply with IFRS and the company’s transition date IFRS statement of financial position (at April 1, 2010).

Business Combinations, Consolidate Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section1582, “Business Combinations”, Section 1601, “Consolidated Financial Statements” and Section 1602, “Non-Controlling Interests”. These new standards will be effective for the fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Section1582 replaces section1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3-Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, “Consolidated financial Statements”. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is the equivalent to the corresponding provisions of IFRS 27-Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Related Party Transactions

During the year ended March 31, 2011, Maplegrow Capital Inc., a company controlled by the CEO, charged the Company $ 56,000, (2010-$Nil) for his services. The amounts are included in general and administration costs.

During the year, the Company paid or accrued administrative expenses of $22,800 (2010-$12,000) to a company controlled by a director of the Company. The amount is included in general and administration costs. There was no balance outstanding at the year end.

The CFO's services were provided by a company that he controlled. During the year, the Company paid $56,000 (2010-$Nil) to the related company. The amount is included in general and administration costs.

During the year, the Company paid $56,000 (2010-$Nil) for the services of the Vice President Exploration to a company controlled by him. The amount is included in mineral properties and deferred costs.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, cash equivalents, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The only credit risk identified by management is the risk related to the interest bearing promissory note received as partial payment of the loan receivable. The risk arises from the nature of the security of the promissory note. The fair value of these financial instruments approximates their carrying values.

Outstanding Share Data

As at March 31, 2011, the Company has 12,896,357 common shares issued and outstanding as well as: (a) stock options to purchase an aggregate of 1,282,000 common shares expiring at various date between June 2011 and June 2015 and exercisable at $0.20 per common share and, (b) share purchase warrants to purchase an aggregate of 3,387,000 common shares expiring June 11, 2011 and exercisable at $0.30 per common share. For additional details of share data, please refer to Note 7 and 8 of the March 31, 2011 financial statements.

Capital Management

The Company's objectives when managing capital are as follows:

- i) To safeguard the Company's ability to continue as a going concern;
- ii) To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties;
- iii) To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short term working capital requirements, and its planned exploration and development program expenditure requirements. The capital structure of the Company is comprised of working capital and shareholders' equity. The Company may manage its capital by issuing flow through or common shares, or by obtaining additional financing.

The Company utilized annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets underlying assumptions as necessary.

There were no changes in the Company's approach to managing capital during the period.

Critical Accounting Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of resource property values, useful lives for amortization. And determination of fair value for stock based transactions

Risks and Uncertainties

Liquidity and Additional Financing

The Company has limited financial resources and no current revenues. There can be no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, 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 cause the Resulting Issuer to reduce or terminate its operations.

Regulatory Requirements

Even if the Company's properties are proven to host economic reserves of gold or other precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, if any, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamond, precious and non-precious metals, any of which could result in work stoppages, damage to the property, and possible environmental damage. Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are involved in mineral exploration, development and operation. 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 on the financial position of the Company.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to determine if mineralization reserves exist through drilling, to develop processes to extract the precious and non-precious metals from the mineralization and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis or at all. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of mineralization mined, fluctuations in markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access to any properties in which the Company has or may have an interest may have an adverse effect on profitability in that infrastructure costs will be higher.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and cause insolvency and/or a decline in the value of the securities of the Company.

No Assurance of Title to Properties

The acquisition of title to mineral projects is a very detailed and time consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. The company believes that it presently holds all necessary licences and permits to carry on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is currently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. 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.

Competition

The mineral exploitation industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. In addition, there is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations.

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of any copper, nickel, gold, platinum or any other minerals discovered. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, consumption patterns, speculative activities and increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of gold, base and precious metals and therefore the economic viability of any of the Company's projects cannot be accurately predicted.

Reliance on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations. The Company does not carry any key man insurance.

Subsequent Events

(a) On June 1, 2011 the Company entered into an property option agreement with respect to two mineral claims (30 claim units). The agreement includes a $3,000 cash payment for staking costs and the issuance of 250,000 common shares in five equal tranches over a twenty four month period.

(b) On July 24, 2011 the Company entered into an Option Agreement to acquire up to a 70% interest in certain mining claims comprising the Northshore Property in Northern Ontario. Under the terms of the LOI, the Company may earn an initial 51% interest in the Northshore Property by making cash payments in the amount of $50,000, issuing 2,500,000 common shares of the Company, and incurring $2,500,000 in eligible exploration expenditures over a three year period. A cash payment of $10,000, issuance of 1,000,000 common share of the Company and a one year exploration expenditure of $350,000 would be firm commitments by the Company under the proposed option agreement.

Upon exercise of the first option outlined above, the Company will have a right to proceed with a second option under which the Company would have the right to earn an additional 19% interest in the Northshore Property by making an additional cash payment of $100,000, issuing an additional 1,000,000 common shares of the Company and incurring additional exploration expenditures totalling $3,000,000 over a subsequent 24 month period.

(c) On May 30, 2011the Company, with the approval of the TSX Venture Exchange, extended the expiry date of the share purchase warrants with an original expiry date of June 11, 2011, to June 11, 2012. The exercise price of the share purchase warrants to acquire 3,375,000 common shares is $0.30 per common share.

Internal Control over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures as of March 31, 2011. They have concluded that the Company's disclosure controls and procedures were effective to provide reasonable assurance that all material financial information relating to the Company was made known to them by others within the company, particularly during the period in which the interim filings are being prepared.

This evaluation of the design of internal controls over the financial reporting ("IFCR") for the company resulted in the identification of internal control deficiencies which are not atypical for a company of this size including the lack of segregation of duties due to a limited number of employees dealing with accounting and financial matters.

No changes were made in the Company's IFCR during the year ended March 31, 2011 that have materially affected, or are reasonably likely to materially affect, the Company's IFCR

The MD&A was reviewed and approved by the Audit Committee and Board of Directors and is effective as of July 28, 2011.

Additional Information

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