BROOKEMONT CAPITAL INC.

For the nine months ended April 30, 2014

Management's Discussion and Analysis

Date of Report: June 16, 2014

The following discussion and analysis of our financial condition and results of operations for the nine months ended April 30, 2014 should be read in conjunction with our financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to our company's activities can be found on SEDAR at www.sedar.com

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance, business prospects and opportunities such as our intended work programs on our existing property interests, our ability to meet financial commitments and our ability to raise funds when required. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this Management's Discussion and Analysis. These assumptions, which include management's current expectations, estimates and assumptions about our current property interests, the global economic environment, the market price and demand for mineral commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price for mineral commodities, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mineral exploration and mining, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Nature of Business

We are involved in the identification, acquisition and exploration of mineral properties that management deems as potentially viable to assist in the growth of the company. These properties include gold, silver, and aluminous clay properties. At April 30, 2014, we had mineral property interests located in Canada.

Mineral Properties

Ontario Albany East Hydrothermal Graphite Prospect

On July 7, 2013, our company entered into a purchase agreement with two arm's length vendors (the "Albany Vendors") to acquire a 100% interest in certain mineral claims located in Ontario. In consideration, our company paid $10,000 cash and issued 4,000,000 common shares at a value of $160,000 to the Albany Vendors.

Our company contracted Prospectair Geosurveys Inc. to assist in the exploration and development of this property, including an airborne magnetic and electromagnetic survey. The survey was completed in December 2013. Our company will need to raise additional funds in order to continue exploration on this prospect. We may continue exploration activities if we are able to obtain sufficient financing. While we have been successful in securing financings in the past, there is no assurance that we will be able to do so in the future, and/or that we will be able to raise sufficient funds to meet our work commitments for all of our properties

As at April 30, 2014, we had spent a total of $21,759 in exploration expenditures on this property.

Quebec Gaspe Bay Aluminous Clay and Rare Earth Prospect

On June 8, 2012, we entered into an option agreement with an arm's length vendor (the "Gaspe Bay Vendor") to acquire 40 contiguous mineral claims (5,520 acres) located in the Gaspe Bay Region of Quebec. This prospect is located 32 km northeast of Murdochville, Quebec and is strategically located near several deepwater ports and across the St. Lawrence River from the province's major aluminum smelters. The Gaspe Bay Vendor currently owns a 100% interest in this property.

On June 3, 2013, we amended the option agreement, whereby the Gaspe Bay Vendor agreed to defer cash payment of $20,000 by one year to July 20, 2014. On November 4, 2013, we further amended the option agreement and the amendment dated June 3, 2013. The Gaspe Bay Vendor agreed to defer the remaining work commitments due to be spent on the prospect by two years. We are now required to make a cash payment and incur the following exploration costs:

	Cash	Exploration Costs	Common Shares
Upon Exchange approval (issued at a value of $87,500)	$ -	$ -	2,500,000
On or before July 20, 2013 (issued at a value of $100,000)	-	-	2,500,000
On or before December 20, 2013 (incurred)	-	40,000	-
On or before July 20, 2014	20,000	-	-
On or before December 20, 2015	-	60,000	-
On or before December 20, 2016	-	250,000	-
On or before December 20, 2017	-	500,000	-
	$ 20,000	$ 850,000	5,000,000

In June 2012, we acquired a 100% interest in additional claims for staking costs of $4,164. We owned a100% interest in these claims.

In August 2012, we commenced a sampling program on this prospect. As disclosed in a news release on November 26, 2012, we announced that during 2012, a total of 1,071 soil samples (including 53 quality assurance/quality control duplicate samples) were collected. Soil samples were analyzed in the field via portable X-ray fluorescence (XRF) instrument, and anomalous values were confirmed by whole rock XRF analysis at ALS Minerals, North Vancouver, BC.

The soil geochemical program defined five separate zones that returned anomalous Al_2O_3 values based on portable XRF analysis. As a result, 36 samples were submitted for confirmation to ALS Minerals. Of the 36 samples submitted to ALS, 13 samples returned analyses of greater than 18% Al_2O_3; ranging from 18.02% and up to 19.08% Al_2O_3. Eleven of the 13 samples occur along a single survey line over a distance of 600 metres defining a single high-priority anomaly.

During the year ended July 31, 2013, we decided not to renew certain claims and allowed them to lapse as they became due. Prior acquisition costs of $65,864 associated with these claims were written off.

Additional work plans would call to complete additional follow-up infill soil geochemical sampling, and conditions permitting, prospecting and geologic mapping to define the extent of the anomaly with the plan to drill once the highest priority targets are established. Our company will need to raise additional funds in order to conduct this work. We may continue exploration activities if we are able to obtain sufficient financing. While we have been successful in securing financings in the past, there is no assurance that we will be able to do so in the future, and/or that we will be able to raise sufficient funds to meet our work commitments for all of our properties.

As at April 30, 2014, we had spent a total of $42,067 in exploration expenditures on this property.

Yukon Quartz Claims

During the year ended July 31, 2010, we acquired a 100% interest in ninety five load quartz mineral claims covering an area of approximately 4,836 acres, located in the Yukon Territory. We hold a 100% interest in the Yukon quartz claims.

In August 2011 we continued operations on the Yukon gold prospect that included field work and sampling throughout the claim block. In September 2012 we conducted a minor work program to follow up on the samples taken from previous work programs. The area does not have much previous work and more soil sampling, mapping and prospecting is warranted. In order to move forward to the next stage, we would need to raise additional funds to allocate to this project. While we have been successful in securing financings in the past, there is no assurance that we will be able to do so in the future, and/or that we will be able to raise sufficient funds to meet our work commitments for all of our mineral properties.

During the year ended July 31, 2013, we decided not to continue with certain claims. In September 2013, we decided not to continue with certain other claims, and we allowed these claims to lapse. Accordingly, the related acquisition costs of $577,085 and exploration costs of $26,475 associated with these lapsed claims were written off as of July 31, 2013.

As at April 30, 2014, we had spent a total of $8,075 in exploration expenditures on the remaining Yukon quartz claims.

Ontario Kenagami Hydrothermal Graphite Prospect

On November 13, 2013, our company entered into a purchase agreement with an arm's length vendor (the "Kenagami Vendor") to acquire a 100% interest in the Kenagami hydrothermal graphite prospect, consisting of four claims. The Kenagami Vendor currently holds a 100% interest in these claims.

In consideration, we are required to make cash payments and issue common shares as follows:

	Cash	Common Shares
Upon Approval (issued at a value of $40,000)	$ -	2,000,000
On or before December 27, 2014	20,000	2,000,000
	$ 20,000	4,000,000

During the nine months ended April 30, 2014, our company acquired a 100% interest in certain mineral claims located in Ontario for staking costs of $5,950. These new claims border the initial Kenagami claims and together become one contiguous claim.

Our company contracted Prospectair Geosurveys Inc. to assist in the exploration and development of this property, including an airborne magnetic and electromagnetic survey. The survey was completed in December 2013. As disclosed in a news release on March 12, 2014, the airborne survey discovered a large TDEM conductive anomaly measuring approximately 800 metres by 500 metres. A follow up work program is currently being formulated for the coming months. However, in order to continue with a work program we would need to raise additional funds to allocate to this project. While we have been successful in securing financings in the past, there is no assurance that we will be able to do so in the future, and/or that we will be able to raise sufficient funds to meet our work commitments for all of our mineral properties.

As at April 30, 2014, we had spent a total of $4,400 in exploration expenditures on this property.

Quebec Rare Earth Prospect

On June 2, 2010, we entered into an option agreement to acquire 31 contiguous rare earth mineral claims in Quebec with an arm's length vendor (the "Rare Earth Vendor"). The Rare Earth Vendor currently holds a 100% interest in these claims.

On May 25, 2011, we amended the option agreement, whereby the Rare Earth Vendor waived the work commitment of $150,000 for the first year of the agreement and increased the work commitment from $400,000 to $550,000 for the fourth year of the agreement. On June 11, 2012, we further amended the option agreement and the amendment dated May 25, 2011. The Rare Earth Vendor agreed to amend the option agreement and the amendment regarding the work commitments due to be spent on the prospect. We were required to incur exploration costs as follows:

	Cash	Common Shares	Exploration Costs
Upon Exchange approval (paid and issued at a value of $130,000)	$ 17,500	2,000,000	$ -
By June 17, 2014	-	-	150,000
By June 17, 2015	-	-	150,000
By June 17, 2016	-	-	550,000
	$ 17,500	2,000,000	$ 850,000

In addition, 195,000 common shares were issued as a finder's fee during the year ended July 31, 2010.

In March 2014, we decided not to continue with the claims under the option agreement and allowed the claims to lapse when they became due in April 2014. Accordingly, related acquisition costs of $163,245 and carrying costs of $8,164 were written off as of January 31, 2014.

In August 2011, we acquired an additional 4,600 contiguous acres by way of staking for a cost of $4,360 to bring our total rare earth acreage to approximately 8,250 contiguous acres. In September 2013, we decided not to continue with these claims and allowed them to lapse. Accordingly, related acquisition costs of $4,360 were written off as of July 31, 2013.

Overall Performance

We are a mineral exploration company engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. We do not expect to generate any revenues in the foreseeable future or until a mineable reserve is defined and economically recoverable. We expect our company to continue to incur expenses as our company works to further explore and develop our mineral properties.

Our company has conducted limited exploration on our Yukon Quartz Claims, limited sampling on our Gaspe Bay Project, an airborne magnetic and electromagnetic survey on our Ontario Albany Hydrothermal Graphite Prospect and Ontario Kenagami Hydrothermal Graphite Prospect, due to, among other things, the availability of sufficient funds for the purposes of mineral exploration and development, access to the property due to climate conditions, the uncertainties associated with the prices of precious and base metals and other minerals, and the global economic climate. Our company is in the process of exploring our mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable.

Our company's future performance is largely tied to the outcome of future exploration and the overall financial markets. The recoverability of minerals from our company's properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of our company to obtain necessary financing to continue to explore and develop our properties and upon future profitable production. Uncertainty in credit markets, fluctuation in commodity prices and general economic downturns have led to increased difficulties in raising and borrowing funds. As a result, our company may have difficulty raising equity financing for the purposes of exploration and development of our company's properties, without diluting the interests of current shareholders of our company. See "Liquidity and Capital Resources" and "Risk and Uncertainties" for a discussion of risk factors that may impact our company's ability to raise funds.

Information about our company's commitments relating to our mineral properties is discussed above under "Nature of Business – Mineral Properties".

Our company did not generate any revenue during the nine months ended April 30, 2014 and 2013. Our company's net comprehensive loss decreased from $3,272,398 for the nine months ended April 30, 2013 to $858,466 for the nine months ended April 30, 2014, mainly due to a decrease in the write-down of exploration and evaluation assets from $2,863,695 during the nine months ended April 30, 2013, compared to $171,409 during the nine months ended April 30, 2014. Our company's cash decreased from $69,696 as at July 31, 2013 to $19,680 as at April 30, 2014, and our working capital deficiency increased from $695,346 as at July 31, 2013 to $1,059,118 as at April 30, 2014.

Our company's current assets have decreased from $92,132 as at July 31, 2013 to $34,790 as at April 30, 2014, due mainly to a decrease in cash. Our company's current liabilities have increased from $787,478 as at July 31, 2013 to $1,093,908 as at April 30, 2014, due to an increase in accounts payable and accrued liabilities. The value ascribed to our company's exploration and evaluation assets has decreased from $631,079 as at July 31, 2013 to $532,292 as at April 30, 2014.

Additional information about the risks and uncertainties relating to our company's business and financial performance is discussed below under "Risks and Uncertainties".

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the eight most recently completed interim quarters:

	2014 Third	2014 Second	2014 First	2013 Fourth	2013 Third	2013 Second	2013 First	2012 Fourth
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Operating expenses	$(136,675)	$(141,117)	$(409,265)	$(152,977)	$(130,293)	$(142,672)	$(135,738)	$(180,071)
Loss before other items	$(136,675)	$(141,117)	$(409,265)	$(152,977)	$(130,293)	$(142,672)	$(135,738)	$(180,071)
Loss per share (Basic and diluted)	$(0.002)	$(0.002)	$(0.005)	$(0.002)	$(0.002)	$(0.002)	$(0.002)	$(0.003)
Other items:								
Write-down of mineral properties	$Nil	$(171,409)	$Nil	$(673,784)	15,000	$(2,878,695)	$Nil	$Nil
Net comprehensive loss	$(136,675)	$(312,526)	$(409,265)	$(826,761)	$(115,293)	$(3,021,367)	$(135,738)	$(180,071)
Basic and diluted loss per share	$(0.002)	$(0.004)	$(0.005)	$(0.011)	$(0.002)	$(0.050)	$(0.002)	$(0.003)

Summary of Results During Prior Eight Quarters

Net comprehensive loss decreased by $44,333 from the fourth quarter of 2012 to the first quarter of 2013 mainly due to a decrease in professional fees. Net comprehensive loss increased substantially from the first quarter to the second quarter of 2013 primarily due to the write-down of exploration and evaluation assets of $2,878,695 in the second quarter versus $Nil write-down in the first quarter. Net comprehensive loss decreased substantially from the second quarter to the third quarter of 2013 primarily due to a decrease in write-down of exploration and evaluation assets. Net comprehensive loss increased by $711,468 from the third quarter to the fourth quarter of 2013 primarily due to an increase in write-down of exploration and evaluation assets. Net comprehensive loss decreased by $417,496 from the fourth quarter of 2013 to the first quarter of 2014 mainly due to a decrease of $673,784 in the write-down of exploration and evaluation assets, offset by an increase of $265,148 in share-based payments. Net comprehensive loss decreased by $96,739 from the first to second quarter of 2014 primarily due to a decrease of $265,148 in share-based payments, offset by an increase of $171,409 in the write-down of exploration and evaluation assets. Net comprehensive loss decreased by $175,851 from the second to third quarter of 2014 mainly due to a decrease in the write-down of exploration and evaluation assets.

Discussion of Operations

Three Months Ended April 30, 2014 Compared to the Three Months Ended April 30, 2013

We did not generate any revenue for the three months ended April 30, 2014 and 2013. Net comprehensive loss increased by $21,382 to $136,675 for the three months ended April 30, 2014 from $115,293 for the three months ended April 30, 2013. The primary cause of this increase was that during the three months ended April 30, 2013, we reversed a write-down of exploration and evaluation assets of $15,000 due to a reversal of asset retirement obligation on our Hadeni Property. There was no write-down of exploration and evaluation assets in the comparative period ended April 30, 2014.

Total operating expenses were $136,675 for the three months ended April 30, 2014 compared to $130,293 for the three months ended April 30, 2013. The slight increase was due to an increase of $2,794 and $2,069 in professional fees and travel and promotion, respectively, from the three months ended April 30, 2013 to the three months ended April 30, 2014. These expenses represent the costs of administering a public company.

Nine months ended April 30, 2014 Compared to the Nine months ended April 30, 2013

We did not generate any revenue for the nine months ended April 30, 2014 and 2013. Net comprehensive loss decreased by $2,413,932 to $858,466 for the nine months ended April 30, 2014 from $3,272,398 for the nine months ended April 30, 2013 mainly due to a decrease in the write-down of exploration and evaluation assets (nine months ended April 30, 2014: $171,409; nine months ended April 30, 2013: $2,863,695).

Total operating expenses were $687,057 for the nine months ended April 30, 2014 compared to $408,703 for the nine months ended April 30, 2013. The increase was mainly due to an increase of $265,148 in share-based payments from the nine months ended April 30, 2013 to the nine months ended April 30, 2014. These expenses represent the costs of administering a public company.

See “Nature of Business – Mineral Properties” for a discussion of our mineral properties on a property by property basis, including our plans for our mineral properties, the status of our plans, expenditures made and the anticipated timing and costs to take our mineral properties to the next stage of the project plan.

See “Overall Performance” for a discussion of the commitments, events, risks and uncertainties that we believe will materially affect our company’s future performance and “Risks and Uncertainties” for a discussion of risk factors affecting our company.

Liquidity and Capital Resources

Liquidity

At April 30, 2014, we had $19,680 in cash and a working capital deficiency of $1,059,118 as compared to cash of $69,696 and a working capital deficiency of $695,346 at July 31, 2013.

Our company’s current assets have decreased from $92,132 as at July 31, 2013 to $34,790 as at April 30, 2014 due mainly to a decrease in cash. Our company’s current liabilities have increased from $787,478 as at July 31, 2013 to $1,093,908 as at April 30, 2014, due to increased accounts payable and accrued liabilities. The value ascribed to our company’s exploration and evaluation assets has decreased from $631,079 as at July 31, 2013 to $532,292 as at April 30, 2014.

Management believes that our company’s cash will not be sufficient to meet our working capital requirements, including our existing commitments relating to our mineral properties, in either the short term or long term. See “Nature of Business – Mineral Properties” and “Overall Performance” for a discussion of our company’s commitments relating to our mineral properties. As a mineral exploration company, our expenses are expected to increase as we explore our mineral properties further. Management does not expect our company to generate sustained revenues from mineral production in the foreseeable future.

Our company’s ability to conduct the planned work programs on our mineral properties, meet our ongoing levels of corporate overhead and discharge our liabilities as they become due is dependent, in large part, on the ability of our management to raise additional funds as necessary.

Management anticipates that additional equity financings will need to be conducted to raise additional funds which, if successful, will result in dilution in the equity interests of our company's current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that our favourable to our company or al all. Our company's ability to raise additional funds in the future and its liquidity may be negatively impacted by a number of factors, including changes in commodity prices, market volatility and general economic downturns.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining further long-term financing, successful exploration of our property interests, the identification of reserves sufficient enough to warrant development, successful development of our property interests and, finally, achieving a profitable level of operations. Due to the uncertainty of our ability to meet our current operating and capital expenses, our independent auditors added an explanatory paragraph to their audit report issued in connection with our annual audited financial statements for the year ended July 31, 2013 regarding their substantial doubt about our ability to continue as a going concern.

Capital Resources

We have the following commitments for capital expenditures with respect to our mineral properties as of April 30, 2014. The expenditures are optional and we may decide not to incur such payments in the event we do not decide to pursue further exploration with respect to such properties.

- *Quebec Gaspe Bay Aluminous Clay and Rare Earth Prospect:*
    - June 2012 option agreement, and amendments dated June 3, 2013 and November 4, 2013: As at April 30, 2014, our company is required to: pay $20,000 prior to July 20, 2014; incur $60,000 in exploration expenditures on or before December 20, 2015, of which we have currently spent $2,067; incur $250,000 in exploration expenditures on or before December 20, 2016; and incur $500,000 in exploration expenditures on or before December 20, 2017.
    - Gaspe Bay Aluminous Clay and Rare Earth claims staked in June 2012: On July 11, 2014, 58 Gaspe Bay claims will expire. In order for our company to renew these 58 claims for another two years, our company is required to pay $69,600 in annual rental income and $6,148 in fees associated with these claims to the Minister of Finance by July 11, 2014. In addition, 18 Gaspe Bay claims will expire on August 13, 2014. In order for our company to renew these 18 claims for another two years, our company is required to pay $16,700 in annual rental income and $1,544 in fees associated with these claims to the Minister of Finance by August 13, 2014.
- *Ontario Kenagami Hydrothermal Graphite Prospect*:
    - November 2013 purchase agreement: As at April 30, 2014, our company is required to pay $20,000 in acquisition costs prior to December 27, 2014.

- *Yukon Quartz Claims*:
    - Our Yukon Quartz claims are in good standing until October 3, 2014. In order to renew these claims for another year, we are required to pay an annual rent of $1,500 to the Government of Yukon by October 3, 2014 for the Yukon Quartz claims, unless we spend an amount greater than that in exploration beforehand. In addition, we are also required to pay the claim recording fees of $75 to the Government of Yukon by October 3, 2014.

If we elect to meet these capital expenditure requirements, it is expected that in addition to using funds currently available to our company, additional funds will need to be raised through equity financings, shareholder loans or otherwise. Our company's ability to raise additional funds is subject to a number of uncertainties and risk factors. See "Liquidity and Capital Resources – Liquidity".

See "Nature of Business – Mineral Properties" for a discussion of our company's capital expenditure commitments with respect to our mineral properties.

Operating Activities

During the nine months ended April 30, 2014 and April 30, 2013, operating activities used cash of $69,377 and $132,436, respectively. The use of cash for the nine months ended April 30, 2014 was attributable to our loss for the period of $858,466, offset mainly by non-cash share-based payments of $265,148, write-down of exploration and evaluation assets of $171,409 and by non-cash accounts payable and accrued liabilities of $344,597. The use of cash for the nine months ended April 30, 2013 was attributable to our loss for the period of $3,272,398, offset mainly by non-cash write-down of exploration and evaluation assets of $2,863,695 and non-cash accounts payable and accrued liabilities of $271,376.

Investing Activities

During the nine months ended April 30, 2014 and April 30, 2013, we used cash of $27,789 and $11,046, respectively, in investing activities due to investments in exploration and evaluation assets.

Financing Activities

During the nine months ended April 30, 2014 and April 30, 2013, we were provided $47,150 and $119,175 by financing activities, respectively. During the nine months ended April 30, 2014, $90,150 was provided to us from the issuance of share capital due to 1,803,000 warrants being exercised into common shares at a price of $0.05 per share, offset by a refund of $43,000 in share subscriptions due to a private placement being cancelled. During the nine months ended April 30, 2013, $125,000 was provided to us from the issuance of share capital, offset by $5,825 in share issuance costs.

Changes in Accounting Policies

We have reviewed new and revised accounting pronouncements that have been issued but are not yet effective. We have not early adopted any of these standards and are currently evaluating the impact, if any, that these standards might have on our financial statements.

IFRS 9 – Financial Instruments ("IFRS 9")

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018.

IAS 32 – Financial Instruments: Presentation ("IAS 32")

The IASB amended IAS 32, "Financial Instruments: Presentation" to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off';
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

The amended standard is effective for annual periods beginning on or after January 1, 2014.

IAS 36 – Impairment of Assets ("IAS 36")

The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. The amended standard is effective for annual periods beginning on or after January 1, 2014 and should be applied retrospectively.

IFRIC 21 – Levies ("IFRIC 21")

An interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014.

Off-Balance Sheet Arrangements

Our company does not utilize off-balance sheet arrangements.

Related Parties Transactions

During the nine months ended April 30, 2014, our company incurred $74,062 payable to one director and a private company controlled by a director with respect to management fees. There are no management agreements in place and our company has no contractual requirement to continue paying management fees. Management fees are intended to compensate such persons for their time and dedication to our company.

During the nine months ended April 30, 2014, our company incurred share-based payments of $34,283 to two directors, a company controlled by a director and an officer. As a mineral exploration issuer, our company partially relies on the issuance of stock options to compensate our directors and officers for their time and dedication to our company.

As at April 30, 2014, accounts payable and accrued liabilities include $249,991 (July 31, 2013: $162,638) payable to a public company with two directors in common, to a private company controlled by a director, and to one of our directors. We had accrued $38,092 payable to Makena Resources Inc., a public company with two directors in common with our company, for reimbursement of expenses, as well as accounting and administrative expenses. We had accrued $324 payable to a private company controlled by a director for reimbursement of office expenses. We had also accrued a total of $211,575 payable to a director from March 2012 to April 2014 with respect to unpaid management fees. These amounts are unsecured, non-interest bearing and payable on demand.

These transactions are in the normal course of operations and were measured at the exchange amount, which is a reasonable amount agreed upon by our company and the particular related party or parties.

Financial Instruments and Other Instruments

Our company's financial instruments consist of cash, accounts payable and accrued liabilities, share subscriptions payable, and receivables. Unless otherwise noted, it is management's opinion that our company's current financial instruments will not be affected by interest rate risk, foreign exchange risk, credit risk, liquidity risk and price risk. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Proposed Transactions

Our company does not have any proposed transactions as of the date of this report.

Additional Disclosure for Venture Issuers without Significant Revenue

During the nine months ended April 30, 2014 and 2013, our company incurred expenses including the following:

	2014	**2013**
Write-down of exploration and evaluation assets	$171,409	$2,863,695
Acquisition costs	$47,502	$75,000
Operating expenses	$687,057	$408,703
Capitalized exploration costs	$25,120	$11,046

Please refer to Note 6 *Exploration and Evaluation Assets* in the financial statements for the nine months ended April 30, 2014 for a description of the capitalized acquisition and exploration costs presented on a property-by-property basis.

Additional Disclosure of Outstanding Share Data

Common Shares

Our company has authorized an unlimited number of common shares without par value.

As at April 30, 2014 and June 16, 2014, we had 83,153,262 common shares issued and outstanding.

Stock options

As at April 30, 2014 and June 16, 2014, we had 7,916,500 share purchase options outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

Number	Exercise Price	Expiry Date
187,500	$0.11	September 8, 2014
306,000	$0.10	October 9, 2014
120,000	$0.13	August 31, 2015
1,050,000	$0.10	January 13, 2017
58,000	$0.10	October 11, 2017
6,195,000	$0.05	September 3, 2018
7,916,500		

Warrants

As at April 30, 2014 and June 16, 2014, we had 20,255,189 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
9,208,189	$0.25	September 6, 2016
350,000	$0.30	September 6, 2016
10,697,000	$0.10	January 28, 2018
20,255,189		

Risks and Uncertainties

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, we face a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that we intend to undertake on our properties and any additional properties that we may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by us in the exploration of our properties may not result in the discovery of any mineral deposits. Any expenditure that we may make in the exploration of any other mineral property that we may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful and/or expensive exploration efforts. If the results of our exploration do not reveal viable commercial mineralization, we may decide to abandon or sell some or all of our property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that our exploration activities will result in the discovery of any quantities of mineral deposits on our current properties or any other additional properties we may acquire.

We intend to continue exploration on our current properties and we may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. We can provide investors with no assurance that exploration on our current properties, or any other property that we may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent us from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If we are unable to establish the presence of mineral deposits on our properties, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

Because of the inherent dangers involved in mineral exploration and exploitation, there is a risk that we may incur liability or damages as we conduct our business.

The search for mineral deposits involves numerous hazards. As a result, we may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which we cannot insure or against which we may elect not to insure. At the present time we have no coverage to insure against these hazards. The payment of such liabilities may have a material adverse effect on our financial position.

The potential profitability of mineral ventures depends in part upon factors beyond the control of our company and even if we discover and exploit mineral deposits, we may never become commercially viable and we may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond our control, including the existence and size of mineral deposits in the properties we explore, the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in our company not receiving any return on invested capital. These factors may have material and negative effects on our financial performance and our ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on our company.

Exploration and exploitation activities are subject to foreign, federal, provincial, and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to foreign, federal, provincial, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment. Properties may also be subject to complex Aboriginal claims.

Environmental and other legal standards imposed by foreign, federal, provincial, or local authorities may be changed and any such changes may prevent us from conducting planned activities or may increase our costs of doing so, which would have material adverse effects on our business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us, especially, foreign laws and regulations. Additionally, we may be subject to liability for pollution or other environmental damages that we may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect our ability to carry on our business.

Because our property interests may not contain any mineral deposits and because we have never made a profit from our operations, our securities are highly speculative and investors may lose all of their investment in our company.

Our securities must be considered highly speculative, generally because of the nature of our business and our stage of explorations. We currently have exploration stage property interests which may not contain mineral deposits. We may or may not acquire additional interests in other mineral properties but we do not have plans to acquire rights in any specific mineral properties as of the date of this Management's Discussion and Analysis. Accordingly, we have not generated any revenues nor have we realized a profit from our operations to date and there is little likelihood that we will generate any revenues or realize any profits in the short term. Any profitability in the future from our business will be dependent upon locating and exploiting mineral deposits on our current properties or mineral deposits on any additional properties that we may acquire and subsequent development. The likelihood that any mineral properties that we may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. We may never discover mineral deposits in respect to our current properties or any other area, or we may do so and still not be commercially successful if we are unable to exploit those mineral deposits profitably. We may not be able to operate profitably and may have to cease operations, the price of our securities may decline and investors may lose all of their investment in our company.

As we face intense competition in the mineral exploration and exploitation industry, we will have to compete with our competitors for financing and for qualified managerial and technical employees.

Our competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than we have. As a result of this competition, we may have to compete for financing and be unable to conduct any financing on terms we consider acceptable. We may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If we are unable to successfully compete for financing or for qualified employees, our exploration programs may be slowed down or suspended, which may cause us to cease operations as a company.

We have a history of losses and have a deficit, which raises substantial doubt about our ability to continue as a going concern.

We have not generated any revenues during the nine months ended April 30, 2014 and 2013. We will continue to incur operating expenses without revenues if and until we engage in commercial operations. Our accumulated loss as of April 30, 2014 was $11,179,821 since inception. We had cash in the amount of $19,680 as at April 30, 2014. We estimate our average monthly operating expenses to be approximately $40,000 each month. We cannot provide assurances that we will be able to successfully explore and develop our property interests. These circumstances raise substantial doubt about our ability to continue as a going concern, which was also described in an explanatory paragraph to our independent auditors' report on our audited financial statements, July 31, 2013. If we are unable to continue as a going concern, investors will likely lose all of their investments in our company.

Our future is dependent upon our ability to obtain financing and if we do not obtain such financing, we may have to cease our exploration activities and investors could lose their entire investment.

There is no assurance that we will operate profitably or will generate any positive cash flow in the future. We will require additional financing in order to proceed with the exploration and, if warranted, development of our properties. We will also require additional financing for the fees we must pay to maintain our status in relation to the rights to our properties and to pay the fees and expenses necessary to operate as a public company. We will also need more funds if the costs of the exploration of our mineral claims are greater than we have anticipated. We will require additional financing to sustain our business operations if we are not successful in earning revenues. We will also need further financing if we decide to obtain additional mineral properties. We currently do not have any arrangements for further financing and we may not be able to obtain financing when required. Our future is dependent upon our ability to obtain financing. If we do not obtain such financing, our business could fail and investors could lose their entire investment.

Our directors and officers are engaged in other business activities and accordingly may not devote sufficient time to our business affairs, which may affect our ability to conduct operations and generate revenues.

Our directors and officers are involved in other business activities. As a result of their other business endeavours, our directors and officers will exercise their fiduciary duties and duty of care but nonetheless may not be able to devote sufficient time to our business affairs, which may negatively affect our ability to conduct our ongoing operations and our ability to generate revenues. In addition, the management of our company may be periodically interrupted or delayed as a result of our officers' other business interests.

RISKS RELATING TO OUR COMMON STOCK

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our ability to continue operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. Because a significant portion of our operations have been and will be financed through the continued sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our operations. Such reductions may force us to reallocate funds from other planned uses and may have a significant negative effect on our business plan and operations, including our ability to continue our current operations. If our stock price declines, we can offer no assurance that we will be able to raise additional capital or generate funds from operations sufficient to meet our obligations. If we are unable to raise sufficient capital in the future, we may not be able to have the resources to continue our normal operations or become insolvent.

The market price for our common stock may also be affected by our ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of our common stock and our operations as a result.

Additional Information

We file annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at http://www.sedar.com.