BROOKEMONT CAPITAL INC.

For the six months ended January 31, 2011

Management's Discussion and Analysis

Date of Report: April 1, 2011

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 and Tanzania 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.

Company Overview

Our company was incorporated under the provisions of the *Business Corporations Act* (British Columbia) on March 28, 2007. Our company was a Capital Pool Company under the TSX Venture Exchange Policy 2.4. The principle business of our company as a Capital Pool Company was to identify and evaluate companies, assets or businesses with a view to completing a Qualifying Transaction, as that term is defined in Policy 2.4. Our company's shares were listed and began trading on the TSX Venture Exchange on October 11, 2007 under the symbol "BKT.P".

On May 27, 2008, our company entered into a definitive purchase agreement with RockBridge Energy Inc. and Pure Oil & Gas Co. Ltd. in respect of a proposed Qualifying Transaction. Pursuant to the terms of the agreement, as amended on August 26, 2008, our company and RockBridge Energy agreed to each purchase a 50% interest in the petroleum and natural gas rights, tangible assets and miscellaneous interests, in connection with the Bantry and Pembina properties from Pure Oil & Gas. In consideration for such interests, our company agreed to pay a total of $1,000,000 and issue 400,000 shares of our capital stock to Pure Oil & Gas. Additionally, our company and RockBridge Energy agreed to each pay 50% of the all expenses incurred from the date of entering into the purchase agreement to the closing of the transactions contemplated therein.

The TSX Venture Exchange granted final approval for the Qualifying Transaction on September 5, 2008 and our company's shares resumed trading on the TSX Venture Exchange under the symbol "BKT" on September 8, 2008.

Following the closing of the agreement, our company ceased to be a Capital Pool Company and became classified as a Tier 2 oil and gas issuer under the policies of the TSX Venture Exchange, engaged in the exploration and development of prospective oil and gas properties. During the year ended July 31, 2009, we acquired 50% of certain petroleum and natural gas rights in both the Pembina property located approximately 50 miles southwest of Edmonton, Alberta and the Bantry property located approximately 60 miles northwest of Medicine Hat, Alberta.

Our company entered into a joint operating agreement with Rockbridge Energy and its wholly-owned subsidiary which provided that the 2007 CAPL Operating Procedure and the 1996 PASC Accounting Procedure would govern the operations with respect to the assets related to the Pembina and Bantry properties. Rockbridge's subsidiary was appointed as operator for such assets. Under the terms of the joint operating agreement, our company and Rockbridge Energy agreed to bear all costs and expenses paid or incurred under the agreement, to own, operate and develop the lands associated with the assets and to share revenues in accordance with their respective 50% working interests.

We were required to commencing preparing and filing reports required under National Instrument 51-101 for our fiscal year ended July 31, 2009. As such we filed our Form 51-101 F1, F2 and F3 on SEDAR at www.sedar.com on November 23, 2009.

During the year ended July 31, 2010, we entered into a letter agreement with an arm's length party to sell our interest in and to certain assets in connection with the Pembina and Bantry properties, including PNG rights, tangibles and wells for cash consideration of $575,000. This transaction received TSX Venture Exchange approval and the Pembina and Bantry properties have been sold. Therefore, we were not required to file reports under National Instrument 51-101 for our fiscal year ended July 31, 2010.

Pembina and Bantry Properties

We owned a 50% interest in the petroleum and natural gas rights, tangible assets and miscellaneous interests, in connection with the Bantry and Pembina properties. The Bantry property is located 60 miles northwest of Medicine Hat, Alberta and the Pembina property is located 50 miles southwest of Edmonton, Alberta. The Pembina property consists of 5 sections of 50% working interest operated land in Townships 48 and 49, Ranges 3 and 4 W5M in central Alberta. These lands directly offset the Pembina Keystone Cardium Unit No.2 and are geologically updip from the Unit. The Bantry property consists of a 50% working interest in Section 3-20-14 W4M.

In July 2009, RockBridge Energy, who was the operator at that time, commenced a rework program on one of the Pembina oil wells that previously produced to 2004. The previous operator had shut down the well after an equipment malfunction during attempts to improve production. The work, with a crew and service rig onsite, included abandoning the lower former producing zone and perforating 5 metres of the Belly River formation, followed by swab testing. In August 2009, the work program was completed and the perforation could not be completed, apparently due to the tight formation.

Security deposits were required to be paid to the Energy Resources Conservation Board by the operator in connection with the Pembina and Bantry properties, of which our share was $288,969. We were also required to pay a Crown royalty deposit of $1,600 in relation to our oil and gas properties.

As at July 31, 2009, the oil and gas properties had been written-down to their recoverable value of $92,504 and an asset retirement obligation of $518,329 was also set up for the oil and gas properties.

During the year ended July 31, 2010, we sold our interests in and to certain assets in connection with Pembina and Bantry properties, including PNG rights, tangibles and wells, in consideration for proceeds of $575,000. Prior to the sale we recorded $23,458 in depletion expense and $17,278 in accretion expense related to the asset retirement obligation. Other deposits of $1,600 were forfeited resulting in a gain on sale of $1,039,960.

Ontario Lithium Claims and Yukon Quartz Claims

On August 20, 2009, we entered into a share exchange agreement (the “Agreement”) with 0854508 B.C. Ltd., a private British Columbia company (“BC Co”), and the four shareholders of BC Co (the “Shareholders”). BC Co is the sole legal and beneficial owner of 96 mineral claims prospective for lithium covering an area of approximately 3,800 acres, located in Northern Ontario, and 93 load quartz mineral claims covering an area of approximately 4,836 acres, located in the Yukon Territory. Under the terms of the Agreement, we purchased all of the issued and outstanding common shares in the capital of BC Co from the Shareholders. Consideration was $150,000 in cash and the issue of 5,000,000 (issued) common shares upon TSX Venture Exchange approval, which was received on August 28, 2009. We also issued 482,142 common shares to one finder in connection with the transaction. This transaction resulted in the acquisition of a subsidiary.

Late in September 2009, we commenced operations on our 100% owned Yukon gold prospect. The initial phase consisted of sampling and operations.

In September 2010, we initiated operations on the Yukon gold prospect that included field work and sampling throughout the claim block. We completed a small scale soil sample and we anticipate conducting a larger sampling program in 2011.

British Columbia Cariboo Gold Prospect

We entered into a property purchase agreement dated December 31, 2010 with 0895459 B.C. Ltd., a private British Columbia company, to acquire a 100% interest in 15 mineral claims covering an area of approximately 7,290 hectares, located within the Cariboo Gold Region, British Columbia. In consideration, we were required to pay $15,000 (paid subsequently) and issue 3,000,000 common shares, which have been issued. On January 7, 2011, we received approval from the TSX Venture Exchange. In addition, we also issued 228,260 common shares as finder's fee.

British Columbia Stewart Gold Prospect

On October 2, 2009, we entered into an option agreement with 0862799 B.C. Ltd., a private British Columbia company, to acquire a 100% interest in six contiguous claim blocks consisting of 6,687 acres in the Stewart Mining Region of British Columbia. The property is subject to a 3% net smelter royalty, 1% of which may be purchased by us for $1,000,000. In consideration, we were required to make cash payments totaling $50,000 (paid), incur $500,000 in exploration costs over two years and issue 2,400,000 common shares, which have been issued.

In early November 2010, we amended the option agreement with 0862799 B.C. Ltd. We issued 1,000,000 common shares and the vendor waived the work commitment of $250,000 for the first year of the option agreement.

Quebec Rare Earth Claims

In June 2010, we entered into an option agreement to acquire 31 contiguous rare earth mineral claims in Quebec with 9222-2777 Quebec Inc. and Tanveer Ali. In consideration, we are required to make cash payments, incur exploration costs, and issue common shares as follows:

	Cash	Common Shares	Exploratio Costs
Upon closing date (paid and issued)	$ 17,500	2,000,000	$ -
By June 17, 2011	-	-	150,000
By June 17, 2012	-	-	150,000
By June 17, 2013	-	-	150,000
By June 17, 2014	-	-	400,000
	$ 17,500	2,000,000	$ 850,000

In addition, 195,000 common shares were issued as a finder's fee.

Handeni North, Tanzania

On September 3, 2010, we entered into a letter agreement with Sundance Gold Ltd. to acquire an 80% interest in a 63.4 square kilometre gold property located in the Handeni Region of Tanzania. Consideration is cash payments, exploration costs and the issue of common shares as follows:

	Cash	Exploration Costs	Common Shares
Upon execution of the letter agreement (paid)	US$ 75,000	US$ -	-
Upon closing date (issued)	-	-	3,000,000
Upon closing date (paid subsequently)	200,000	-	-
Within 12 months from the closing date	-	350,000	-
Within 13 months from the closing date	350,000	-	3,000,000
Within 24 months from the closing date	-	500,000	3,000,000
	US$ 625,000	US$850,000	9,000,000

We will be able to acquire the remaining 20% interest by further payments of US$4,500,000 and the issuance of 3,000,000 common shares. This additional 20% interest will be subject to a 2% net smelter return and the foregoing payments for this interest may be made over a period of up to three years.

On December 14, 2010 we received final approval from the TSX Venture Exchange for the acquisition of the Handeni North Prospect. Subsequently, we paid a finder's fee to an arm's length party of $59,325 and we will pay a finder's fee of $71,875 in the second year following the closing date in connection with the transaction.

On January 7, 2011 we were notified by the operator that first phase of the work program on our Handeni North Prospect has now commenced. This first phase will consist of line cutting, geological mapping, and setting up of IP and mag surveying.

Subsequent to January 31, 2011 we were notified by the operator that based on the initial sampling and geological mapping it has identified multiple areas for detailed geochemical surveying and geophysical magnetic surveying on its Handeni North Prospect. See our company's news release dated March 3, 2011.

Overall Performance

Oil and gas revenue for the three and six months ended January 31, 2011 were $Nil compared to $5,504 and $68,022 for the three and six months ended January 31, 2010. Oil and gas operating costs were $Nil for the three and six months ended January 31, 2011 compared to $14,901 and $81,585 for the three and six months ended January 31, 2010. Accretion of asset retirement obligation were $Nil for the three and six months ended January 31, 2011, compared to $4,320 and $17,278 for the three and six months ended January 31, 2010. Depletion and the write-down of oil and gas properties were $Nil for the three and six months ended January 31, 2011 compared to $3,409 and $23,458 for the three and six months ended January 31, 2010. Finance fees were $149,423 and $149,423 for the three and six months ended January 31, 2011 compared to $Nil for the three and six months ended January 31, 2010.

Until September 8, 2008, we carried on business as a Capital Pool Company which consisted of the identification and evaluation of companies, assets or businesses with a view to completing a Qualifying Transaction. From September 8, 2008 until December 2009, we carried on business as an oil and gas company. In December 2009, we sold the Pembina and Bantry properties and turned our focus to our mineral properties. We were incorporated on March 28, 2007 and incurred expenses of $381,470 and $549,850 for the three and six months ended January 31, 2011 compared to $160,130 and $512,128 for three and six months ended January 31, 2010.

Summary of Quarterly Results

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

	2011 Second	**2011 First**	**2010 Fourth**	**2010 Third**	**2010 Second**	**2010 First**	**2009 Fourth**	**2009 Third**
Total revenues	$Nil	$Nil	$Nil	$Nil	$5,504	$62,518	$43,914	$12,724
Earnings (Loss) before discontinued operations and extraordinary items:								
Total	$(382,809)	$(167,915)	$(169,942)	$(131,134)	$885,367	$(289,303)	$(982,527)	$(115,633)
Earnings (Loss) per share	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$0.04	$(0.02)	$(0.09)	$(0.01)
Earnings (Loss) per share fully diluted	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$0.04	$(0.02)	$(0.09)	$(0.01)
Net Earnings (Loss):								
Total	$(382,809)	$(167,915)	$(169,942)	$(131,134)	$885,367	$(289,303)	$(982,527)	$(115,633)
Earnings (Loss) per share	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$0.04	$(0.02)	$(0.09)	$(0.01)
Earnings (Loss) per share fully diluted	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$0.04	$(0.02)	$(0.09)	$(0.01)

Summary of Results from Incorporation

From the second quarter of 2009 we incurred expenses related to being a Tier 2 oil and gas company. Net loss increased by $866,894 from the third to fourth quarter of 2009 mainly due to the write-down of $754,005 on the Pembina and Bantry properties based on an independent engineering reserve analysis. Net loss decreased by $693,224 from the fourth quarter of 2009 to the first quarter of 2010 main due to a comparative decrease in the write-down of the oil and gas properties. We had net earnings the second quarter of 2010 due to selling the Pembina and Bantry properties. Net loss during the third quarter of 2010 was mainly due to management and directors' fee as well as to professional fees. Net loss increased from the third to fourth quarter of 2010 mainly due to an increase in stock based compensation and professional fees. Net loss was relatively stable from the fourth quarter of 2010 to the first quarter of 2011, as it only decreased by $2,027. Net loss increased by $214,894 from the first to second quarter of 2011 mainly due to an increase in finance fees of $149,423, consulting fees of $30,590 and stock-based compensation of $31,788.

Results of Operations

Three Months Ended January 31, 2011 Compared to Three Months Ended January 31, 2010

Administrative expenses were $381,470 for the three months ended January 31, 2011 compared to $160,130 for the three months ended January 31, 2010. The significant increase of $221,340 was due partly to $149,423 in finance fees, and partly due to a $65,895 in stock-based compensation.

Total assets increased significantly from $2,014,513 at July 31, 2010 to $4,689,660 at January 31, 2011, mainly due to an increase in mineral properties.

Six Months Ended January 31, 2011 Compared to Six Months Ended January 31, 2010

Administrative expenses were $549,850 for the six months ended January 31, 2011 compared to $512,128 for the six months ended January 31, 2010. The increase of $37,722 was mainly due to an increase in finance fees of $149,423, which was offset by a decrease in accretion of asset retirement obligation of $17,278, depletion of oil and gas properties of $23,458, and oil and gas operating costs of $81,585.

Liquidity and Capital Resources

At July 31, 2010, we had $274,976 in cash and cash equivalents and working capital of $223,836 as compared to cash and cash equivalents of $592,572 and a working capital deficiency of $911 at January 31, 2011.

Current assets increased by $345,084 from July 31, 2010 to January 31, 2011, mainly due to an increase in cash and cash equivalents. Current liabilities increased by $569,831 from July 31, 2010 to January 31, 2011, due to an increase in accounts payable and accrued liabilities and loans payable.

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. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments. During the six months ended January 31, 2011, three arm's length lenders made unsecured loans to the Company of $525,000 bearing 5% interest per annum. As consideration, the Company issued 807,692 common shares valued at $149,423 as finance fees. As at January 31, 2011, $235,000 has not been repaid yet.

Due to the uncertainty of our ability to meet our current operating and capital expenses, in the notes to our audited financial statements for the period ended July 31, 2010, our independent auditors included an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern.

Our company had no long-term debt as of January 31, 2011 and July 31, 2010. However we did have future income tax liability of $313,300 at January 31, 2011 and July 31, 2010.

Capital Resources

Our company has commitments for capital expenditures are as follows:

(a) we are required to pay $4,578 in office rent until July 31, 2011;
(b) we are required to either spend $38,400 in exploration costs or pay it in annual rental income on the Ontario Lithium claims by June 26, 2011;
(c) we are required to either spend $9,500 in exploration costs or pay it in annual rental income on the Yukon Quartz claims to the Yukon Ministry of Energy, Mines & Resources by July 3, 2011 and we are required to pay $475 in recording fee associated with these claims by July 3, 2011; and
(d) we are required to spend $150,000 in exploration costs on the Quebec Rare Earth prospect by June 17, 2011.

Operating Activities

During the three months ended January 31, 2011 operating activities provided cash of $14,807 and during the three months ended January 31, 2010 operating activities used cash of $231,620. The provision of cash for the three months ended January 31, 2011 was mainly attributable to our net loss for the period of $382,809 and other items, offset mainly by stock-based compensation of $65,895, finance fees of $149,423, and accounts payable and accrued liabilities of $189,816. The use of cash for the three months ended January 31, 2010 was mainly attributable to net earnings of $885,367, offset by gain on sale of oil and gas properties of $1,039,960 and other items.

During the six months ended January 31, 2011, operating activities used cash of $147,010 compared to $345,430 for the six months ended January 31, 2010. The use of cash for the six months ended January 31, 2011 was mainly attributable to our net loss for the period of $550,724 offset mainly by finance fees of $149,423, stock-based compensation of $100,002, and accounts payable and accrued liabilities of $179,087. The use of cash for the six months ended January 31, 2010 was mainly attributable to net earnings of $596,064, offset by gain on sale of oil and gas properties of $1,039,960 and other items.

Investing Activities

During the three and six months ended January 31, 2011, we used $202,973 and $315,977 in investing activities, due to investments in mineral properties. During the three and six months ended January 31, 2010, investing activities provided cash of $545,725 and $386,310, which was mainly attributable to the proceeds on sale of oil and gas properties of $575,000 offset by investments in mineral properties.

Financing Activities

During the three and six months ended January 31, 2011, $618,001 and $780,583 were provided to us by financing activities due to proceeds from loans payable of $235,000 and the issuance of share capital. During the three and six months ended January 31, 2010, $Nil and $509,073 were provided by financing activities. The provision of cash of $509,073 was due to $519,823 in proceeds from the issuance of share capital offset by $10,750 in share issuance costs.

Changes in Accounting Policies

International Financial Reporting Standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board ("AcSB") confirmed the date for publicly-listed companies to use IFRS replacing Canadian GAAP for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Therefore, our company will be required to adopt IFRS for its fiscal year commencing August 1, 2011, and the transition plan will require in 2011 the restatement for comparative purposes onto the IFRS basis of amounts and disclosures reported by our company for its prior fiscal year, ended July 31, 2011. Our company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. The Chief Financial Officer will manage the conversion and report regularly to the Audit Committee.

While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures;
- Provisions, including asset retirement obligations;
- Stock-based compensation;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of our company's IFRS implementation plan will also be addressed, including the implication of changes to accounting policies and processes; financial statement note disclosures; information technology; internal controls; contractual arrangements; and employee training.

The following table summarizes the expected timing of activities related to our transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	In progress now
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	By July 31, 2011
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	By July 31, 2011
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	By July 31, 2011
Resolution of the accounting policy change implications on information technology, internal controls and contractual agreements.	By July 31, 2011
Management and employee education and training.	Throughout the Transition process

Quantification of the Financial Statements impact of changes in accounting policies.	By July 31, 2011

Off-Balance Sheet Arrangements

Our company does not utilize off-balance sheet arrangements.

Related Parties Transactions

Directors and a former officer received $80,459 in management and/or directors' fees directly or through companies wholly-owned by them during the six months ended January 31, 2011 (2010 – $95,300). All Seasons Consulting Inc. (Negar Adam) (ceased to be an officer during the first quarter), Conrad Clemiss, Daniel Terrett and James Nelson were paid management fees. There are no management agreements in place and our company has no contractual requirement to continue paying management fees. The directors were actively seeking new projects for our company and working on our company's existing property.

These transactions are in the normal course of operations and were measured at the exchange amount, a reasonable amount agreed upon by the related parties.

As at January 31, 2011, accounts payable and accrued liabilities included $1,777 (July 31, 2010 - $249) payable to Daniel Terrett, James Nelson, and Canasia Industries Corporation, all for reimbursement of expenses. Canasia Industries is a related party in that Conrad Clemiss is a director of both companies.

Financial and Other Instruments

Our company's financial instruments consist of cash and cash equivalents, prepaid expenses and GST/HST recoverable. Unless otherwise noted, it is management's opinion that our company is not exposed to significant interest, currency or credit risks arising from these financial instruments. 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 six months ended January 31, 2011 and 2010, our company incurred expenses including the following:

	2011	**2010**
Write down and depletion	$Nil	$23,458
Acquisition costs	$2,170,869l	$776,454
General & administrative costs	$549,850	$512,128
Capitalized exploration costs	$159,654	$10,998

See January 31, 2011 interim consolidated financial statements for details of expenditures.

Additional Disclosure of Outstanding Share Data

Common Shares

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

As of January 31, 2011, we had 38,778,168 common shares issued and outstanding. Subsequently, we issued 50,000 shares pursuant to the exercise of stock options at $0.11 per share and 768,000 shares pursuant to the exercise of stock options at $0.21 per share. We also issued 550,000 common shares due to the exercise of warrants at $0.15 per share. As of April 1, 2011, we had 40,146,168 common shares issued and outstanding.

As at January 31, 2011, 600,000 common shares issued to our directors and former directors which are subject to an escrow agreement and will be released in accordance with the TSX Venture Exchange policies. On March 3, 2011, 300,000 common shares were released from escrow. As at April 1, 2011, there were 300,000 common shares subject to an escrow agreement.

Stock options

At January 31, 2011, 3,214,204 share purchase options were 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
1,124,038	$0.21	March 14, 2011
927,000	$0.22	April 28, 2011
215,000	$0.22	July 4, 2011
133,333	$0.10	October 11, 2012
143,333	$0.10	April 1, 2014
187,500	$0.11	September 8, 2014
306,000	$0.10	October 9, 2014
120,000	$0.13	August 31, 2015
58,000	$0.10	October 11, 2017
3,214,204		

Subsequent to January 31, 2011, 818,000 share purchase options were exercised. Also, 356,038 share purchase options exercisable at a price of $0.21 per share expired unexercised. At April 1, 2011, 2,040,166 share purchase options were outstanding.

Warrants

At January 31, 2011, we had 2,600,000 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
2,600,000	$0.15	September 25, 2011

Subsequent to January 31, 2011, 550,000 share purchase warrants were exercised. At April 1, 2011, we had 2,050,000 share purchase warrants outstanding.

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.

Recent political attest in the African region may significantly impact our exploration in Tanzania.

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 since our date of inception and we will continue to incur operating expenses without revenues if and until we engage in commercial operations. Our accumulated loss as of January 31, 2011 was $2,654,741 since inception. We had cash and cash equivalents in the amount of $592,572 as at January 31, 2011. 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 as described in the notes to our audited financial statements for the period ended July 31, 2010, our independent auditors included an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern. 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.