FINORE MINING INC.
(Formerly Otterburn Ventures Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

April 30, 2013

BACKGROUND

The following information, prepared as of June 27, 2013, should be read in conjunction with the condensed interim financial statements and accompanying notes of Finore Mining Inc. (the "Company", formerly Otterburn Ventures Inc.) for the nine months ended April 30, 2013 and the audited financial statements of the Company for the year ended July 31, 2012. The audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

During the period ended April 30, 2013, the Company's critical accounting estimates and significant accounting policies have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian dollars unless noted otherwise.

As of August 1, 2011, the Company adopted IFRS and the following disclosure, and the associated condensed interim financial statements, are presented in accordance with the International Accounting Standard 34, Interim Financial Reporting. The comparative periods for fiscal 2012 have been restated in accordance with IFRS.

The risk factors identified in previous management's discussion and analysis (the "MD&A") have also remained substantially unchanged but the risk factor of future financings has assumed a greater importance to the Company in view of the current economic climate and stock market volatility. Management has assessed and will continue to address the implications of recent events in order to ensure that the Company can continue to achieve its long term objectives.

CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS

Certain statements contained in the foregoing MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

DESCRIPTION OF BUSINESS

The Company was incorporated on November 29, 2006 pursuant to the *Business Corporations Act*, British Columbia. The Company's principal business activity is the exploration of mineral properties. The Company was listed for trading on the Canadian National Stock Exchange (the "CNSX") since February 4, 2008 under the trading symbol "OTB". On September 26, 2011, the Company changed its name to Finore Mining Inc. and the Company's common shares began trading under the new symbol of "FIN". On April 9, 2012, the Company's shares have commenced trading in the United States on the OTC market's prestigious tier, OTCQX International under the symbol of "FNREF".

The Company is a junior mineral exploration company engaged in the acquisition and exploration of strategic mineral properties. The Company is primarily engaged in the exploration for, and the development of, mineral properties with gold, copper, nickel, and other mineral. The Company may take advantage of other mineral projects as opportunities arise.

On August 24, 2011, the Company entered into an option agreement with Nortec Minerals Corp ("Nortec"). The option agreement gave the Company the option to earn up to an 80% interest in Nortec's Läntinen Koillismaa project (the "LK Project"), a palladium-platinum–gold–copper-nickel property, located in north central Finland. However, on September 10, 2012, the Company entered into an amendment to the option agreement (the "Nortec Option Amendment"), whereby Nortec has granted the Company the right to acquire 70% interest in the Läntinen Koillismaa Project by: a) issuing additional 27,000,000 shares of the Company (issued); b) paying in full amount owed by the Company on account of the conduct of exploration work within 60 days from the date of the Nortec Option Amendment; and c) granting Nortec the right to nominate two persons for appointment or election to the Company's board of director.

On February 19, 2013, the Company entered into a second amendment agreement (the "Second Amendment Agreement") with Nortec, whereby Nortec and the Company agreed to such amendments that the Company has the sole and exclusive right and option to earn 100% interest in and to the Läntinen Koillismaa Project for, among other things, 41,000,000 shares of the Company. Furthermore, if the Company completes all of its obligations in the Second Amendment Agreement, and issues an additional 917,707 Shares to Nortec, the Company will be deemed to have exercised the option to acquire 100% interest in the Läntinen Koillismaa Project through acquiring Nortec's wholly owned Finnish subsidiary, Nortec Minerals Oy. Nortec Minerals Oy controls 100% interest in the Läntinen Koillismaa Project.

The LK property is located in north central Finland, 660km north of the capital Helsinki, 65km south of the Arctic Circle, and covers approximately 3750 hectares. The project is well serviced by power, water and roads affording all season access and development. The LK Project consists of the Kaukua, Lipeävaara, Murtolampi, Haukiaho and Haukiaho East Zones. Nortec carried out over 10,000 metres of diamond core drilling on the Kaukua Zone since 2007 and over 7,000 metres of historical diamond drilling was performed on the Haukiaho Zone since the 1960's.

QUALIFIED PERSON

All disclosure of scientific or technical information, including disclosure of a mineral resource or mineral reserve, concerning a mineral project on a property material to the issuer must be based upon information prepared by or under the supervision of a qualified person.

Mohan Vulimiri, Director is the Qualified Person for the Company.

CHANGES IN MANAGEMENT

During the period ended April 30, 2013, the Company continued to increase its operations and strengthen its management team.

On October 3, 2011, Peter Hughes resigned as CEO and appointed Ian Laurent as the CEO and director of the Company.

On November 1, 2011, Alexander Polevoy was appointed as a director of the Company.

On September 10, 2012, Ian Laurent resigned as CEO and director and Peter Hughes resigned as director of the Company. Lawrence Dick was appointed as the interim CEO of the Company.

On January 14, 2013, Steven Green resigned as President of the Company.

On February 5, 2013, Alexander Polevoy resigned as director of the Company. David Velisek was appointed as a director of the Company.

On March 28, 2013, Peter Tegart and Mohan Vulimiri was appointed as directors of the Company. Lawrence Dick resigned as CEO and Peter Tegart was appointed as the CEO.

The Company's Board of Directors now consists of following: Peter Tegart, Mohan Vulimiri, David Eaton, David Velisek and Savio Chiu.

OVERALL PERFORMANCE

The following discussion of the Company's financial performance is based on the unaudited condensed interim financial statements for the period ended April 30, 2013 and and audited financial statements for the year ended July 31, 2012.

As at April 30, 2013, the Company had cash of $500,696 (2012 - $222,687) and short-term investment of $11,584 (2012 - $11,503). Total current assets amount to $525,591 (2012 - $280,266). The increase in total current assets is due to the two non-brokered private placements closed on February 19, 2013 and March 28, 2013. The February 19, 2013 private placement consisted of issuance of 30,800,000 common shares for a gross proceed of $770,000. The March 28, 2013 private placement consisted of issuance of 13,583,333 common shares for a gross proceed of $407,500.

Current liabilities at April 30, 2013 total $203,872 (2012 - $654,095). Shareholders' equity is comprised of share capital of $16,605,690 (2012 - $11,182,216), reserves of $1,943,820 (2012 - $1,840,181) and a deficit of $7,673,043 (2012 - $7,500,883) for a net amount of $10,876,467 (2012 - $5,521,514). The increase in shareholder's equity is due to the common shares issued pursuant to the Nortec Option Amendment and the Second Amendment Agreement during the period ended April 30, 2013 and common shares issued for the non-brokered private placements closed on February 19, 2013 and March 28, 2013. The Company has a working capital of $321,719 at April 30, 2013 compared to a working capital deficiency of $373,829 at July 31, 2012.

During the period ended April 30, 2013, the Company reported a net loss of $172,160 ($0.01 basic and diluted loss per share) compared to a net loss of $1,097,080 ($0.03 basic and diluted loss per share) reported for the period ended April 30, 2012.

RESULTS OF OPERATIONS

Current Quarter

During the quarter ended April 30, 2013, the Company incurred a net loss of $35,834 compared to $456,850 for the quarter ended April 30, 2012. The net loss of $35,834 was mainly due to advertising and promotion expense of $298 (2012 – $15,508), consulting fees of $10,438 (2012 - $26,602) related to administration and marketing services, professional fees of $21,233 (2012 – $22,510) related legal fees on corporate matters and the Company's annual general meeting, transfer agent and filing fees of $7,323 (2012 - $21,177); and other general expense for administrative matters and insurance of $6,791 (2012 - $89,293). During the quarter ended April 30, 2013 expenses were offset by interest income of $27 (2012 - $4,180) which relates to interest income receivable on the Company's GIC account and gain on debt settlement of $10,147 (2012 – Nil). The Company recorded a gain on foreign exchange $75 (2012 - loss on foreign exchange $54) for the quarter ended April 30, 2013.

Year-to-Date

During the nine months ended April 30, 2013, the Company incurred a net loss of $172,160 compared to $1,097,080 for the nine months ended April 30, 2012. The net loss of $172,160 was mainly due to advertising and promotion expense of $15,508 (2012 - $27,220), consulting fees of $26,602 (2012 - $565,162) related to administration , investor relation and marketing services provided by consultants of the Company, professional fees of $50,009 (2012 - $62,624) related to audit services and legal fees on corporate matters and the Company's annual general meeting, transfer agent and filing fees of $25,948 (2012 - $34,490) and other general expense for administrative matters and insurance of $12,383 (2012 - $137,458). During the period ended April 30, 2013 expenses were offset by interest income of $82 (2012 - $24,597) and gain on debt settlement of $10,147 (2012 – Nil). The Company recorded a loss on foreign exchange $51,939 (2012 - $24,994) for the period ended April 30, 2013.

Consulting fees of $26,602 (2012 - $565,162) relate to investor relation, marketing and IT consulting services provided by consultants. The decrease during the period ended April 30, 2013 is due to the restructuring of the Company's management and consulting teams.

Legal fees of $50,009 (2012 - $62,624) relate to the legal services provided for corporate general matters and for the preparation for the Company's annual general meeting.

Transfer agent and filing fees of $25,948 (2012 - $34,490) has increased due to the filing fees of transfer agency services and the filing fees with CNSX and OTCQX.

Interest income of $82 (2012 - $24,994) during the period ended April 30, 2013, relates to interest income receivable on the Company's GIC account.

Due to the Company being in the exploration stage, management foresees further increases in the Company's expenses during the coming year resulting from its exploration activities. These expenses are contingent upon the Company's ability to fund these projects through private placements and other forms of financing. In the event that the Company does not receive the required funding, management will review all on-going expenditures and take appropriate actions to remedy the funding shortage.

As at April 30, 2013, the Company has cash of $500,696 (2012 - $222,687) and short-term investment of $11,584 (2012 - $11,503), other receivables of $1,099 (2012 - $17,039), prepaid expenses of $12,212 (2012 - $29,037) for prepaid market communication services and insurance services, and accounts payable and accrued liabilities of $203,872 (2012 - $654,095) mainly relating to consulting and exploration service fees. The working capital April 30, 2013 is $321,719 (2012 – working capital deficiency is $373,829). The increase in total current assets is due to the two non-brokered private placements closed on February 19, 2013 and March 28, 2013.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for each of the last eight quarters:

	In accordance with IFRS							
	2013			2012				2011
	Qtr 3	Qtr 2	Qtr 1	Qtr 4	Qtr 3	Qtr 2	Qtr 1	Qtr 4
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net Loss	35,834	31,043	105,283	190,288	456,850	226,701	413,529	4,484,502
Basic and diluted loss per share	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.23

Net Loss

The decrease in quarterly losses for the recent four quarters was primarily the result of recognizing significant amounts of consulting fees and the reversal of share-based payments recognized in quarter three in fiscal 2012. The quarterly losses for quarter one and three in fiscal 2012 is greater than quarter two in fiscal 2012 mainly due to the share-based payments recorded for the stock options granted during quarter one and quarter three.

The increase in quarterly losses for quarter two and three comparing to quarter one in fiscal 2011 were primarily the result of recognizing significant amounts of market communication consulting fees, professional fees associated with Lake Victoria property agreements (see Mineral Properties and Deferred Exploration Expenditures below) and corporate matters , and project investigation fees.

The significant increase in quarterly losses for quarter four in fiscal 2011 was primarily the result due to the write-off of mineral property and deferred exploration expenditures related to Lake Victoria and the grant of share-based payments during the quarter.

MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Läntinen Koillismaa Mineral Claims, North-eastern Finland

Beginning Balance as at August 1, 2011	$	-
Acquisition Costs		3,979,218
Exploration Costs		
Assay Sampling		101,780
Consulting - geological		140,887
Consulting - administrative and general		36,337
Drilling		1,080,096
Office and general		94,823
Project administration		31,371
Reports		31,782
Surveying		329,979
Travel		69,070
Ending Balance, July 31, 2012	**$**	**5,895,343**
Acquisition Costs		4,265,000
Exploration Costs		
Assay Sampling		43,761
Consulting - administrative and general		19,164
Office and general		115,962
Project administration		15,858
Surveying		164,617
Travel		35,043
Ending Balance, April 30, 2013	**$**	**10,554,748**

On July 21, 2011, the Company entered into a binding letter of intent with Nortec, whereby Nortec will grant the Company the right to acquire up to an undivided 80% interest in the rights to 37 exploration claims owned by Nortec known as the Läntinen Koillismaa Project.

On August 24, 2011, the Company entered into the option agreement with Nortec (the "Nortec Option Agreement") and obtained to right to acquire up to an undivided 80% interest in the LK Project. The effective date of the Nortec Option Agreement is September 6, 2011.

The payment, share issuance and exploration expenditure requirements are as follows:

The Company can earn an initial 49% interest in the LK Project by: a) making payments totalling $4.5 million in cash to Nortec; b) issuing the equivalent of $2 million in shares of the Company; and c) spending $5 million on exploration within 24 months, including a minimum of $2 million in the first 12 months.

The remaining 31% interest can be earned by the Company by: a) making a payment of $3 million in cash to Nortec on or before the 3 year anniversary from the Effective Date; b) issuing the equivalent of $1 million in shares of the Company to Nortec; and c) spending a further $5 million on exploration on the LK Project.
The payment, share issuance and exploration expenditure requirements are as follows:

	Date	Cash	Shares	Exploration Expenditures
Year 1	On July 21, 2011	$100,000 (paid)	-	-
	On September 7, 2011	$900,000 (paid)	1,660,408 shares (issued)	-
	On March 6, 2012	$1,000,000 (paid)	1,566,800 shares (issued)	-
	On September 6, 2012	$1,250,000	$500,000*	$2,000,000
Year 2	On March 6, 2013	$1,250,000	$500,000*	-
	On September 6, 2013	-	-	$3,000,000
Year 3	On September 6, 2014	$3,000,000	$1,000,000*	$5,000,000

In connection with the Nortec Option Agreement, the Company issued 1,850,000 common shares at $0.45 per share, for a total of $832,500 on September 7, 2011 as finder's fees in connection with the property.

On September 10, 2012, the Company entered into an amendment to the Nortec Option Agreement (the "Nortec Option Amendment"), whereby Nortec and the Company agreed to amend the right granted to the Company such that the Company can acquire 70% interest in and to the Läntinen Koillismaa Project by: a) issuing additional 27,000,000 shares of the Company; b) paying in full amount owed by the Company on account of the conduct of exploration work within 60 days from the date of the Nortec Option Amendment; and c) granting Nortec the right to nominate two persons for appointment or election to the Company's board of director. As the result, the remaining outstanding option obligations under the Nortec Option Agreement were not fulfilled. On September 11, 2012, the Company issued 27,000,000 common shares at a price of $0.12 to Nortec.

On February 19, 2013, the Company issued 41,000,000 shares at $0.025 per share to Nortec pursuant to the Second Amendment Agreement.

The property is located in north central Finland, 660km north of the capital Helsinki, 65km south of the Arctic Circle, and covers approximately 3750 hectares. The project is well serviced by power, water and roads affording all season access and development. The LK Project consists of the Kaukua, Lipeävaara, Murtolampi, Haukiaho and Haukiaho East Zones. Nortec carried out over 10,000 metres of diamond core drilling on the Kaukua Zone since 2007 and over 7,000 metres of historical diamond drilling was performed on the Haukiaho Zone since the 1960's. Nortec has not carried out any drilling to date on the Haukiaho Zone.

Based on the current drilling information, the Kaukua mineralization is open down-dip and along strike to the west and south. Information to date shows that that the Properties can host several large - tonnage PGE+Au-Cu-Ni deposits amenable to low cost open pit mining methods.

Preliminary metallurgical test work on a blended representative composite of ore types concludes that conventional rougher flotation yielded substantial recoveries of over 80% PGE + Au, associated with recoveries of over 93% for

Cu and 51% for Ni. The recoveries appear to be somewhat dependent on the host rock composition. Cleaning this concentrate, again using conventional flotation means, produced a product assaying 16% Cu + Ni and 60 grams/tonne PGE + Au. Although this is not yet confirmed, a concentrate of this grade should be attractive to nickel and PGM smelters, especially given the low value of 4% Magnesium Oxide (MgO). This also means that the initially planned PLATSOL™ process for higher recoveries of PGE metals may now not be required. This will help lower the processing costs, simplify the project and reduce the technical risk of the project as a whole.

Further metallurgical work being planned:

1. Optimization work for cleaner concentrate, with the addition of various amounts of the relevant reagents.
2. Tests and analysis to identify any other PGE associated metals like Rhodium and Iridium.
3. Marketing studies for the sale ability of concentrate.

In comparison to other PGE + Au and Ni-Cu massive supplied deposits, the concentrate from the LK Project has a much higher ratio of precious and base metals, producing a very high unit value per tonne of concentrate. This also favourably impacts infrastructure and transportation costs.

In January 2012, the Company completed the updated NI 43-101-compliant technical report containing the mineral resource estimate for the LK Project. The NI 43-101 report is available on SEDAR under the Company's profile. The technical report, entitled "A Technical Review of the LK Project, Finland for Finore Mining Inc.", was prepared by Joe Hinzer, P. Geo., President of Watts, Griffis and McOuat Limited ("WGM"). WGM have recommended that Finore continue to upgrade the quality of the mineral resources on the LK Project through continuing exploration.

The Company has completed 10,775 metres of drilling and hired an independent consulting firm to upgrade the resource with the drill data from the drilling carried out by the Company compliant with the NI 43-101 guidelines. A total of 20,775 metres of drilling was completed on the property to-date.

Highlights from the WGM's NI 43-101 Technical Report:

Inferred Mineral Resource:

- 19.6 Million Tonnes @ 0.26g/t Pd; 0.09g/t Pt; 0.10g/t Au; 0.24% Cu; 0.15% Ni (Haukiaho)
- 8.5 Million Tonnes @ 0.76g/t Pd; 0.27g/t Pt; 0..08g/t Au; 0.16% Cu; 0.11% Ni (Kaukua)
- A combined total of 28.1 Million Tonnes for 586,080 ounces PGE+Gold; 60,567 tonnes of Cu and 38,703 tonnes of Ni.

Indicated Mineral Resource (Kaukua):

- 2.6 Million Tonnes @ 0.67g/t Pd; 0.22g/t Pt; 0.07g/t Au; 0.17% Cu; 0.12% Ni for 80,399 ounces PGE+Gold, 4,429 tonnes of Cu and 3,126 tonnes of Ni.

Mineral Resources for the Kaukua and Haukiaho deposits were modeled and estimated by WGM applying a contained metal value approach to define the lower cut-off. This approach was used due to the presence of several metals contributing to the value of the deposit.

The intended use of the technical report for Finore, includes filing with securities regulators to support public disclosure, pursuant to Canadian provincial securities legislation, and, where required to comply with Finore`s Finnish reporting obligations as an SEC filer including disclosure on SEDAR and, if Finore chooses to do so, to support the requirements of the multiple listing applications of Finore to other stock exchanges, in addition to its current listing on Canadian National Stock Exchange ("CNSX").

ALS Chemex based in Outokumpu, Finland conducts the preparation and analytical work of drill core samples from the Phase V drill program. The samples are analysed for Pt, Pd and Au by lead fire assay (30g nominal charge) with an Inductively Coupled Plasma Atomic Emission Spectroscopy ("ICP- AES") finish. A multi-element suite of 35 elements including Cu and Ni are analysed by aqua regia digestion with also an ICP-AES finish. Ore Grade analyses are carried out on any results for Cu and Ni that are over the upper detection limit. The Company continues to use Labtium Oy (Finnish laboratory based in Rovaniemi, Finland) for check sampling and QAQC purposes along with select analyses of Nickel rich zones to determine the sulphide nickel values with respect to the total Nickel values.

The Company's QAQC program includes the regular insertion of blanks, multiple certified assay standards and duplicate samples into the sample shipments. These QC samples are inserted every 10 samples within every assay batch. Regular monitoring of these QC samples is a critical part of the Finore's QAQC protocols.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares and/or debt. The Company's operating, investing and financing activities for the period ended April 30, 2013 resulted in a net increase in cash of $278,009. The net increase in cash was mainly due to the non-brokered private placement that closed on February 19, 2013 and March 28, 2013 of in aggregate of $1,158,474 (net of share issuance costs). As at April 30, 2013, the Company's current assets include cash of $500,696, short-term investment of $11,584, prepaid expenses of $12,212 and other receivables of $1,099. The Company's current liabilities include accounts payable and accrued liabilities of $203,872 and $45,146 is related to the exploration work on the LK Project.

	As at April 30, 2013	As at July 31, 2012
Working capital (deficiency)	$321,719	($373,829)
Deficit	$7,673,043	$7,500,883

The Company is required to meet the option payment and exploration expenditure requirement relating to the option agreement with Nortec (refer to the Mineral Properties and Deferred Exploration Expenditures section for details). The Company will continue to require funds for future property acquisitions and exploration work as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing. The Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular period or if available, that it can be obtained on terms satisfactory to the Company.

OFF BALANCE SHEET ARRANGEMENTS

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

		Nine Months Ended April 30, 2013	2012
Compensation benefits to key management	a	-	$ 106,723
Transmax Investing	b	-	$ 40,500
Baron Global Financial Canada Ltd.	c	$ 3,285	$ 154,807
Geolaurian Consultants Limited	d	-	$ 149,004
Share-based payments	e	-	$ 124,291
Debt settlement	f	-	$ 6,000

a) On April 1, 2011, the Company entered into an amended consulting services agreement with Peter Hughes, a director of the Company, for providing corporate management services (the "Corporate Management Services"). The term of agreement is 36 months beginning April 1, 2011 and the Company agreed to pay $6,500 plus applicable taxes per month for the Corporate Management Services provided. The consulting fee increased to $8,000 plus applicable taxes per month on October 1, 2011. On August 1, 2012, the consulting services agreement was amended and the monthly consulting fee was eliminated. The Company will be invoiced by Mr. Hugh on a monthly basis for any of the Corporate Management Services provided. On August 28, 2012, Peter Hughes has released the Company from all outstanding payable of $26,880 due to Mr. Hughes.

On August 1, 2011, the Company entered into an amended consulting agreement with Steven Green, the Company's president, for providing geological consulting services (the "Geological Consulting Services"). The term of the agreement is 5 months and 20 days commencing on May 11, 2011 and terminating on October 31, 2011 and the Company agreed to pay $12,000 per month from May 2011 to July 2011 and $6,000 per month from August 2011 to October 2011 for the Geological Consulting Services provided. On October 31, 2011, the Company extended the term for a six month period and the consulting fee decreased to USD $3,250 per month effective November 1, 2011. On August 1, 2012, Steven Green has released the Company from all outstanding payable of $9,778 due to Mr. Green.

b) On April 1, 2011 the Company entered into a consulting services agreement with Transmax Investing, a company owned by David Eaton, a director of the Company, for providing corporate communication services (the "Corporate Communication Services"). The term of the consulting services agreement is 36 months beginning April 1, 2011 and the Company will pay $4,500 plus applicable taxes per month for the Corporate Communication Services provided. On August 1, 2012, the consulting services agreement was amended and the monthly consulting fee was eliminated. The Company will be invoiced by Transmax Investing on a monthly basis for any of the Corporate Communication Services provided. On September 1, 2012, Transmax Investing released the Company from all outstanding payable of $40,120 due to Transmax Investing.

c) On June 1, 2010, the Company entered into an advisory agreement with a Baron Global Financial Canada Ltd., a company affiliated to a director and the CFO of the Company to provide accounting and administrative services (the "Advisory Services"). The term of agreement is 12 months and the Company will be charged $5,000 cash fee plus applicable taxes per month for the Advisory Services provided. The fees increased to $15,000 plus applicable tax per month commencing June 2011. A director of the Company is also the chairman of the consulting firm. For the period ended April 30, 2013, the Company has paid geological consulting fees of $3,285 (2012 –$12,375).

d) On October 3, 2011, the Company entered into a consulting agreement with Geolaurian Consultants Ltd., a company owned by Ian Laurent, the CEO and director of the Company, for providing geological strategic planning and executive management services. The term of the agreement is 3 years beginning October 3, 2011 and the Company pays £11,650 per month for the geological and management services provided. On September 10, 2012, Geolaurian Consultants Ltd. released the Company from all outstanding payable of

$54,897 due to Geolaurian Consultants Ltd. The consulting agreement signed on October 3, 2011 was terminated on September 10, 2012. The Company and Geolaurian Consultants Ltd. entered into a new consulting agreement for providing geological consulting services. The term of the agreement is 12 months expiring on July 31, 2013. Geolaurian Consultants Ltd. will invoice the Company on a monthly basis for any of the geological consulting services provided.

e) On October 3, 2011, the Company granted 450,000 options to the CEO and director of the Company. Each option will entitle the purchase of one common share of the Company at a price of $0.46 for a period of five years from the date of issuance. The fair value of the share options awarded, estimated using the Black-Scholes option pricing model, was $0.28 per option. Refer to Note 5 (d).

f) On October 25, 2011, the Company issued 10,000 common shares at $0.335 per share to Barry Foster, the former CFO of the Company to settle the $6,000 payment due to the former CFO.

g) During the period ended April 30, 2013, management and consulting fees of $102,918 were forgiven by an officer and former directors of the Company.

Related Party Payable:

	April 30, 2013	**July 31, 2012**
Baron Global Financial Canada Ltd.	$ 19,658	$ 18,337
Geolaurian Consultants Limited	-	$ 54,897
Peter Hughes	-	$ 26,880
Steven Green	-	$ 9,778
Transmax Investing	-	$ 40,120

These transactions were conducted in the normal course of operations, on commercial terms established and agreed to by the related parties, and were recorded at the exchange amount.

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the unaudited condensed interim financial statements for the period ended April 30, 2013.

SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies are fully disclosed in Note 2 of the unaudited condensed interim financial statements for the period ended April 30, 2013.

CRITICAL ACCOUNTING ESTIMATES

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. Financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both the current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the balance sheet date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) The provision for income taxes which is included in the statements of comprehensive loss and composition and quantification of deferred income tax assets and liabilities included in the statement of financial position.

b) The recoverability of exploration and evaluation assets in the statements of financial position.

c) the inputs used in accounting for share purchase option expense in the statements of comprehensive loss.

d) the estimated useful life and fair value of property and equipment which are included in the interim statements of financial position and the related depreciation included in the interim statement of comprehensive loss.

FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, short-term investment, and accounts payable and accrued liabilities. The Company classified its cash and cash equivalents and short-term investment as fair value through profit or loss, and its account payable and accrued liabilities as other financial liabilities.

Classification of Financial Instruments:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statements of financial position as at April 30, 2013 as follows:

	Fair Value Measurements Using				
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, April 30, 2013 $	Balance, July 31, 2012 $
Cash and cash equivalents	500,696	–	–	500,696	222,687
Short-term investment	11,584			11,584	11,503

The fair values of cash and cash equivalents, short-term investments and accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term to maturity.

(b) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. The Company does not have any asset-backed commercial paper included in cash. Management believes that the credit risk with respect to receivables is remote.

(c) Foreign Exchange Rate Risk

The Company has certain consulting fees and exploration and evaluation assets that are denominated in US dollars, European Euro, Pounds Sterling, Swedish Krona, Swiss Franc and other operating expenses that are mainly in Canadian dollars. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollars, the US dollar, European Euro, Pounds Sterling, Swedish Krona and Swiss Franc. The exposure to foreign exchange rate risk is considered low. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations.

At April 30, 2013 and July 31, 2012, the Company's US dollars, Pounds Sterling, and European Euro, Swedish Krona denominated monetary assets and monetary liabilities are as follows:

	April 30, 2013		July 31, 2012	
Monetary Liabilities				
Account payables and accrued	USD $	4,139	USD $	19,750
liabilities	GBP £	6,995	GBP £	35,402
	EURO €	35,269	EURO €	362,068
	SEK	-	SEK	38,530

The exposure to foreign exchange rate risk is considered minimal.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash and cash equivalents that might be raised from equity financings.

(e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(f) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of its short-term investment nature.

FUTURE ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for the April 30, 2013 reporting period. The following standards are assessed not to have any impact on the Company's financial statements:

a) IFRS 9, Financial Instruments

The IASB has issued IFRS 9 Financial Instruments. This standard is the first step in the process to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. An investment in a debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest, otherwise it is recognized at fair value through profit or loss. IFRS 9 was also updated to include guidance on financial liabilities and de-recognition of financial instruments. This guidance is similar to the guidance method included in IAS 39 relating to financial liabilities and de-recognition of financial instruments. The standard is not yet effective until periods beginning on or after January 1, 2015 but is available for early adoption. The Company has not yet determined the impact that IFRS 9 will have on its financial statements.

b) IFRS 12, Disclosure of Interests in Other Entities

IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier adoption is permitted. This does not affect the Company's financial statements as the Company has no interests in other entities.

c) IFRS 13, Fair Value Measurements

IFRS 13 defines fair value, sets out in a single IFRS framework for measuring value and requires disclosures about fair value measurements. The IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements, expect in specified circumstances. IFRS 13 is to be applied for annual periods beginning on or after January 1, 2013. Earlier adoption is permitted. The Company is currently assessing the impact of the standards on its condensed consolidated financial statements.

The Company anticipates that the application of these standards, amendments and interpretations will have no material impact on the results and financial position of the Company.

EVENTS AFTER THE REPORTING PERIOD

On May 10, 2013, 8,503,551 warrants expired and there are no warrants outstanding.

OTHER MD&A DISCLOSURE REQUIREMENTS

Summary of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares without par value.
(2) As at the date of this MD&A, the Company has 152,391,316 common shares and 1,750,000 options issued and outstanding.

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	Period ended April 30, 2013 $	Period ended April 30, 2012 $
Consulting Fees	26,602	565,162
Professional Fees	50,009	62,624
Transfer Agent and Filing Fees	25,948	34,490

Consulting fees of $26,602 (2012 - $565,162) relate to investor relation, marketing and IT consulting services provided by consultants. The decrease during the period ended April 30, 2013 is due to the restructuring of the Company's management and consulting teams.

The Company recorded $50,009 (2012 - $62,624) professional fee. $25,967 of the professional fee is related to legal advisory. The Company recorded $24,040 in professional fee during the period ended April 30, 2013 for the audit services and corporate tax return preparation provided for the Company's year ended July 31, 2012 financial statements.

Transfer agent and filing fees of $25,948 (2012 - $34,490) has increased due to the filing fees of transfer agency services and the filing fees with CNSX and OTCQX.

The Company has capitalized the following exploration and development costs:

Beginning Balance as at August 1, 2011	$	-
Acquisition Costs		3,979,218
Exploration Costs		
Assay Sampling		101,780
Consulting - geological		140,887
Consulting - administrative and general		36,337
Drilling		1,080,096
Office and general		94,823
Project administration		31,371
Reports		31,782
Surveying		329,979
Travel		69,070
Ending Balance, July 31, 2012	**$**	**5,895,343**
Acquisition Costs		4,265,000
Exploration Costs		
Assay Sampling		43,761
Consulting - administrative and general		19,164
Office and general		115,962
Project administration		15,858
Surveying		164,617
Travel		35,043
Ending Balance, April 30, 2013	**$**	**10,554,748**

RISKS AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of the property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties to property title
- Environmental issues
- Federal and provincial political risk
- Commodity price risk
- Financial markets
- Foreign jurisdictions

The Company is diligent in minimizing exposure to business risk, but by the nature of its activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

ADDITIONAL INFORMATION

Additional information about the Company is available for viewing on SEDAR at www.sedar.com.