CuOro Resources Corp.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2013

This discussion and analysis of financial position and results of operation is prepared as at March 17, 2014 and should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended November 30, 2013 and 2012, of CuOro Resources Corp. ("CuOro" or the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Statements

Statements contained in this MD&A that are not historical facts constitute "forward-looking statements" and are based on expectations, estimates and projections as of the date of this MD&A. Forward-looking statements include, without limitation, possible events, statements with respect to possible events, the future price of gold and silver, the realization of mineral resource estimates and success of exploration activities. The words "is expected" or "estimates" or variations of such words and phrases or statements that certain actions, events or results "may" or "could" occur and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this MD&A which may prove to be incorrect, include, but are not limited to, (1) the discovery and expansion of mineral resources on the Company's property being consistent with the Company's current expectations; (2) the implementation of Colombia's mining law and related regulations and policies being consistent with the Company's current expectations; (3) certain price assumptions for gold and silver.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the spot and forward price of gold or certain other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, Colombia or other countries in which the Company does business or may carry on business in the future; business opportunities that may be presented to, or pursued by, the Company; operating or technical difficulties in connection with mining activities; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although the Company believes that the expectations in the forward-looking statements are reasonable, actual results may vary, and future results, levels of activity, performance or achievements cannot be guaranteed. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Company Overview

The Company is a junior mineral exploration company which has been primarily engaged in the acquisition and exploration of resource properties. In May 2013 the Company provided notice of termination to the concession owner of the Santa Elena Project, located in Colombia. As of the date of this MD&A, the Company has made application for certain concession contracts, the Pelaya Copper Project, located in Colombia and is awaiting confirmation of granting from the Colombian governmental authorities. The Company continues to investigate and consider additional opportunities that can bring value to the Company and its shareholders. During this period of investigation the Company is taking steps to reduce its corporate costs and is examining and considering all options to reduce its expenses and conserve cash.

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "CUA", as a Tier 2 mining issuer. The Company's principal office is located #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

Exploration Projects

Santa Elena Copper and Gold Project

The Santa Elena Project consisted of two mining exploration concessions, HGLE-02 and HJIG-02 in the Department of Antioquia, Colombia. The property is located approximately 140 km northeast of Medellin and is accessible by paved roads. Infrastructure around the Santa Elena Project is well developed, including paved road access, unpaved secondary roads, two hydroelectric plants within 5 km, abundant water supply and nearby population.

Historical work completed by Noranda Mining and Exploration Inc. ("Noranda Mining") in 1997 identified outcroppings of volcanogenic massive sulphide ("VMS")-type, massive-sulphide mineralization within concession HJIG-02. Noranda Mining conducted a surface geophysical transient electromagnetic survey ("TEM") at fifty-meter and one hundred meter intervals on a selected area of the property with outcropping mineralization. The results demonstrated four strong conductors with good vertical extent.

The Company filed a NI 43-101 compliant report, "Technical Report on the Santa Elena Project, Department of Antioquia, Colombia", dated May 25, 2011, which is available on the website www.sedar.com

In February 2011 the Company initiated a work program including geological mapping and systematic sampling over the TEM surveyed area and a continuation of the geophysical survey to the north. In April 2011 the Company completed its Qualifying Transaction and implemented the proposed work programs to advance the exploration and development of the Santa Elena Project.

From February 2011 through 2013 the Company carried out detailed and systematic exploration on the Santa Elena Project. A number of targets were tested and while there remain additional targets to be tested the results to date, coupled with the holding costs to maintain the property option, caused the Board of Directors to consider strategic alternatives. Discussions with the underlying property holder were initiated in April 2013 with the objective of obtaining a deferral on the option payment schedule. In order to maintain the property a US $1,000,000 option payment was required in 2013 with a further payment of US $1,000,000 in 2014. The underlying owner was not willing to amend the option obligations sufficiently and, after due consideration, management recommended to the Board of Directors that the option be terminated and notice was provided in May 2013. As a result of this termination notice the Company recorded an impairment expense of $10,960,486 in fiscal 2013.

Pelaya Project, Colombia

The Pelaya copper project (the "Pelaya Project") is comprised of two contiguous applications for concession contracts located in the Cesar Department of the Republic of Colombia, 360 km northeast of Medellín and 465 km north of Bogotá. Excluding areas where they overlap with one another and surrounding concession contracts, the applications total 3,309.1 hectares.

The project area is most easily accessed by road from Valledupar, Cesar. Road communication between Valledupar and the town of Pelaya is attained via National Routes 49 and 45 (Ruta del Sol). The road distance between Valledupar and the town of Pailitas is 180.1 km; the road distance between Valledupar and the town of Pelaya is 210.3 km. The Pelaya Project can be easily accessed from Pailitas or Pelaya where numerous unpaved roads cross over the Pelaya Project area.

The Pelaya Municipality is located within the Carribean Lowlands of Colombia. The climate is normally warm and dry; annual precipitation is less than 1,300 mm (heaviest May-June and October-November). Mean monthly temperatures in the area range between 26°C and 28.5°C.

Resources required to support surface exploration programs are readily available in the towns of Pelaya and Pailitas. The city of Valledupar has the necessary infrastructure and workforce to support large-scale mining operations: several large-scale coal mining operations are currently in production in the Cesar and La Guajira departments (Drummond, Anglo American, BHP Billiton, Xstrata).

Drummond International operates several open pit coal mines within the Department of Cesar, including La Loma, which is the second largest open pit mine in Colombia (located approximately 80 km north of the Pelaya Project). From La Loma, coal is transported 193 km by railcar on the renovated portion of the Colombian National Railroad System directly to Puerto Drummond, a deep-water ocean port on the Caribbean Sea near Santa Marta.

The Pelaya Project is situated in the foothills and flatlands west of the Eastern Cordillera of the Northern Colombian Andes. Elevation at the Pelaya Project ranges from approximately 140 m to 560 m ASL. Much of the Pelaya Project is comprised of gently rolling hills that have been cleared for pasturing or cultivation of crops.

No exploration efforts focusing on copper have been reported in the area of the Pelaya Project. The holders of the concessions immediately to the west of the Pelaya application group conducted minimal exploration efforts targeting high-sulphidation Au vein mineralisation present on in this area.

The Pelaya Project is located on the west margin of the Maracaibo Sub-Plate Realm where the Serranía de Perijá and Santander massif intersect, giving way to the Cesar-Ranchería and Lower Magdelena basins. The wider area around the Pelaya Project is dominated by Proterozoic metamorphic basement rocks, Palaeozoic and Mesozoic sedimentary and volcano sedimentary supracrustal rocks, and Triassic-Jurassic plutonic rocks. The Bucaramanga-Santa Marta Fault System - a 340° trending, left-lateral, strike slip fault (and deep crustal suture several hundred km in length) - forms the southwest margin of the Santander massif and crosses directly through the Pelaya Project.

Regional geologic context and field evidence indicates three possible copper-deposit target-types at the Pelaya Project area:

(i) red bed copper;
(ii) volcanic native copper; and,
(iii) high sulphidation epithermal.

To date, the Company has completed several reconnaissance visits and soil geochemical sampling at the Pelaya Project. This work has defined a Cu in soil anomaly with a strike length of ~800 m (Singarare anomaly). Analysis of rock samples from surface showings within the Singarare anomaly returned a maximum value of 25.53% Cu. Exploration work has also defined several Cu in soil anomalies (Boloazul anomaly) over 4 km to the north of the Singarare anomaly, where analysis of rock samples has also returned maximum values of 2.52% Cu. Infill soil sampling has not yet been completed over the Boloazul anomaly; the infill sampling completed over the Singarare anomaly remains at a relatively coarse resolution.

On the basis of the exploration completed thus far, a first phase exploration program with a budget of US $200,000 is proposed to continue examination of the Pelaya Project. The recommendations for Phase I include completion of an Airborne magnetic and radiometric survey, further soil geochemical sampling, detailed geological mapping, ground geophysics over selected targets, and trenching of selected targets.

Following completion of the first phase of surface exploration and evaluation of the results, the Company anticipates numerous drill targets will be developed. A drill program of 1,000 metres will be recommended for a Phase II evaluation of targets developed from Phase I. The budget estimate for Phase II is US $400,000.

Qualified Person

The qualified person for the Company's projects, Mr. Iain Kelso, P.Geo., the Company's Vice-President Exploration, has reviewed and verified the contents of this document.

Selected Financial Data

The following selected financial information is derived from the audited annual consolidated financial statements of the Company. All comparative figures have been revised for the adoption of IFRS.

	Years ended November 30		
	2013 $	**2012 $**	**2011 $**
Operations:			
Revenues	Nil	Nil	Nil
Expenses	(1,307,869)	(2,895,351)	(4,440,647)
Net loss	(12,344,643)	(3,609,073)	(4,357,459)
Loss per share - basic and diluted	(0.40)	(0.12)	(0.20)
Dividends per share	Nil	Nil	Nil
Balance Sheet:			
Working capital	6,082,949	7,773,263	17,973,996
Total assets	6,307,278	19,021,623	22,406,931
Total long-term liabilities	Nil	Nil	Nil

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2013				Fiscal 2012			
Three Months Ended	**Nov. 30, 2013 $**	**Aug. 31, 2013 $**	**May 31, 2013 $**	**Feb. 28, 2013 $**	**Nov. 30, 2012 $**	**Aug. 31, 2012 $**	**May 31, 2012 $**	**Feb. 29, 2012 $**
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(165,854)	(197,323)	(425,856)	(518,836)	(918,166)	(649,047)	(762,213)	(565,925)
Net loss	(48,675)	(164,988)	(11,657,459)	(473,521)	(1,645,307)	(702,100)	(673,732)	(587,934)
Dividend per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet								
Working capital	6,082,949	6,217,780	6,394,902	7,038,808	7,773,263	9,769,648	12,257,639	15,812,521
Total assets	6,307,278	6,361,678	6,641,069	18,245,605	19,021,623	20,567,404	21,406,491	21,806,157
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended November 30, 2013 Compared to Three Months Ended November 30, 2012

During the three months ended November 30, 2013 (the "2013 Quarter") the Company reported a net loss of $48,675 compared to a net loss of $1,645,307 for the three months ended November 30, 2012 (the "2012 Quarter"), a decrease of $1,596,632. The fluctuation was primarily attributed to the following:

(i) during the 2012 Quarter the Company recorded an impairment expense of $748,672 relating to exploration and evaluation costs capitalized on the Barranco Project. No impairment provisions were recorded during the 2013 Quarter; and

(ii) a total decrease of $752,312 in general and administrative expenses from $918,166 during the 2012 Quarter to $165,854 during the 2013 Quarter. The decrease was mainly the result of the Company's decision to terminate its option on the Santa Elena Project and the resultant curtailment of operations in Colombia and reduced corporate activities due to current market conditions.

Year Ended November 30, 2013 Compared to the Year Ended November 30, 2012

During the year ended November 30, 2013 ("fiscal 2013") the Company reported a net loss of $12,344,643 compared to a net loss of $3,609,073 for the year ended November 30, 2012 ("fiscal 2012"), an increase in loss of $8,735,570. The increase in loss was primarily attributed to during fiscal 2013 the Company recorded a $10,960,486 impairment expense to capitalized exploration and evaluation costs on the Santa Elena Project and a $184,569 impairment expense to the carrying amounts of equipment and vehicles. During fiscal 2012 the Company recorded a $748,672 impairment expense to capitalized exploration and evaluation costs on the Barranco Project.

General and administrative expenses decreased $1,587,482 from $2,895,351 during fiscal 2012 to $1,307,869 during fiscal 2013. The decrease was primarily the result of the Company curtailing its operation in Colombia and corporate activities due to current market conditions.

The primary factors for the decrease were:

(i) $85,384 (2012 - $142,007) for rent. During fiscal 2013 the Company incurred $53,384 (2012 - $133,007) for office, warehouse and apartment rents in Colombia. During fiscal 2013 the Company incurred $32,000 (2012 - $9,000) for office rent in Canada;

(ii) $9,374 (2012 - $102,384) for corporate development. During fiscal 2012 the Company engaged in several marketing campaigns in North America and Europe. Advertising was significantly curtailed during fiscal 2013;

(iii) $35,650 (2012 - $86,299) for investor relations. During fiscal 2013 and 2012 the Company engaged two firms to provide marketing and investor relations services for the Company. See "Investor Relations Activities" for detailed descriptions of investor relations activities;

(iv) $31,040 (2012 - $274,593) for legal costs. Significant legal services were incurred during fiscal 2012, primarily for preparation and submission of the agreement with Pacific Road. During fiscal 2013 the Pacific Road financing agreement with Pacific Road was terminated. Legal costs incurred during fiscal 2013 were for general corporate matters;

(v) $262,891 (2012 - $689,859) for officer and director compensation. The fiscal 2012 amount included $504,780 for salary and other compensation paid to Robert Sedgemore, the former President and CEO of the Company. In October 2012 Mr. Sedgemore resigned as the Company's President and CEO and Mr. John Seaman was appointed as the interim President and CEO. Mr. Seaman was paid $37,303 during fiscal 2013 for his services as the Company's interim President and CEO. In July 2013 Mr. Seaman resigned as the interim President and CEO and Mr. Marc Cernovitch was appointed as the Company's President and CEO. Mr. Cernovitch was paid $25,000 for his services as the Company's President and CEO. See also "Related Party Disclosures";

(vi) $8,663 (2012 - $39,971) for shareholder communications. The decrease was due to reduced communications activities during fiscal 2013;

(vii) $135,337 (2012 - $364,443) for travel. The decrease is attributed to reduce trips to Colombia project sites by the Company management during fiscal 2013. In May 2013 the Company terminated the option on the Santa Elena Project. As at November 30, 2013 the Company holds the Pelaya Copper Project exploration concessions in Colombia. The Company has also identified and made application to acquire a number of concessions located in Colombia and is awaiting confirmation from the Colombian governmental authorities;

(viii) during fiscal 2013 the Company did not grant any share options. During fiscal 2012 the Company granted 36,000 share options and recorded compensation expense of $25,968. In addition during fiscal 2012 the Company recorded compensation expense of $34,505 on the vesting of share options previously granted;

(ix) $46,410 (2012 - $61,420) for audit fees. The decrease in fiscal 2013 was due to reduced audit costs as a result of the reduced activities of the Company;

(x) $263,963 (2012 - $303,661) for professional fees. During fiscal 2013 the Company incurred $80,632 (2012 - $18,694) for remuneration paid to the general manager in the Colombian office, who was employed from October 2012 through May 2013. During fiscal 2013 the Company also incurred $183,331 (2012 - $284,967) for fees billed by third parties for corporate advisory services; and

(xi) $202,917 (2012 - $361,696) for general and administrative expenses, and telephone, website and internet costs. The decrease in fiscal 2013 was due to the Company significantly curtailing its operation in Colombia and corporate activities due to current market conditions.

The decrease in expenses was partially offset by increases in the following items:

(i) $79,165 (2012 - $75,464) for accounting and administration of which $37,600 (2012 - $46,250) was incurred with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. Nick DeMare, a director and the CFO of the Company for bookkeeping, accounting, administration and corporate filing services provided by Chase personnel. In addition the Company incurred $41,565 during fiscal 2013, an increase of $12,351 from $29,214 during fiscal 2012. The increase was due to additional tax and accounting services incurred during fiscal 2013; and

(ii) $35,788 (2012 - $27,444) for filing fees. The increase in fiscal 2013 was due to filing fees paid for listing on the OTC and review fees of the recent appointment of directors and officers.

During fiscal 2012 the Company received $118,449 from the exercise of warrants. During fiscal 2013 no warrants were exercised.

During fiscal 2013 the Company recorded $86,280 (2012 - $136,129) interest income from demand deposits held. The decrease in interest income was due to lower levels of cash held during fiscal 2013 compared to fiscal 2012.

During fiscal 2013 the Company incurred $32,977 (2012 - $nil) for exploration activities on the Pelaya Project, $7,327 (2012 - $636,365) for acquisition costs and $592,335 (2012 - $6,590,321) for exploration activities on the Santa Elena Project. The Company did not make the April 16, 2013 option payment on the Santa Elena Project and provided a notice of termination to the concession owner, and accordingly, during fiscal 2013 the Company recorded an impairment expense of $10,960,486 for exploration and evaluation costs incurred. During fiscal 2012 the Company, having failed to reach an agreement to amend the option terms, determined to terminate the Barranco Option and, accordingly, recorded an impairment expense of $748,672 for exploration and evaluation costs which had been capitalized. See also “Exploration Projects”.

As a result of the Company’s decision to terminate the option on the Santa Elena Project, management conducted a review of the carrying value of its equipment and vehicles. A determination was made to record an impairment expense of $184,569 to reflect the estimated net realizable value of $145,313.

Financial Condition / Capital Resources

Since inception the Company’s capital resources have been limited to amounts raised from the sale of common shares in the Company.

The Company is a junior mineral exploration company which has been primarily engaged in the acquisition and exploration of resource properties. In May 2013 the Company provided notice of termination to the concession owner of the Santa Elena Project, located in Colombia. As of the date of this MD&A, the Company has made application for certain concession contracts, the Pelaya Copper Project, located in Colombia and is awaiting confirmation of granting from the Colombian governmental authorities. The Company continues to investigate and consider additional opportunities that can bring value to the Company and its shareholders. During this period of investigation the Company is taking steps to reduce its corporate costs and is examining and considering all options to reduce its expenses and conserve cash.

As at November 30, 2013 the Company had working capital of approximately $6,082,949. Management considers that the Company has adequate resources to maintain current levels of corporate administration and conduct the Phase I and II exploration programs planned on the Pelaya Project. The Company is also investigating and considering additional business opportunities. The Company’s ability to continue as a going concern will be dependent upon the ability of the Company to pursue the acquisition of natural resource interests, to obtain the necessary financing to develop such properties and to establish future profitable production. In addition, any other opportunities completed by the Company may entail significant expenditures and, as a result, the Company may be required to obtain additional financing. The Company’s operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company does not have any proposed transactions.

Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following four categories: FVTPL; held-to-maturity investments; loans and receivables; and available-for-sale. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	November 30, 2013 $	November 30, 2012 $
Cash	FVTPL	6,087,136	8,008,803
Amounts receivable	Loans and receivables	3,471	11,339
Accounts payable and accrued liabilities	Other liabilities	(46,039)	(415,741)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at November 30, 2013				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	6,087,136	-	-	-	6,087,136
Amounts receivable	3,471	-	-	-	3,471
Accounts payable and accrued liabilities	(46,039)	-	-	-	(46,039)

	Contractual Maturity Analysis at November 30, 2012				
	Less than 3 Months $	**3 - 12 Months $**	**1 - 5 Years $**	**Over 5 Years $**	**Total $**
Cash	8,008,803	-	-	-	8,008,803
Amounts receivable	11,339	-	-	-	11,339
Accounts payable and accrued liabilities	(415,741)	-	-	-	(415,741)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents bear floating rates of interest. The interest rate risk on cash and short-term investments and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company has operations in Canada and Colombia subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars and Colombian Pesos and the fluctuation of the Canadian dollar in relation to other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At November 30, 2013, 1 Canadian Dollar was equal to 1,821 Colombian Pesos.

Balances are as follows:

	Colombian Pesos	**CDN $ Equivalent**
Cash	850,750	467
Accounts payable and accrued liabilities	(29,722,438)	(16,318)
	(28,871,688)	(15,851)

Based on the net exposures as of November 30, 2013 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the Colombian Peso would result in an increase or decrease of approximately $1,800.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Changes in Accounting Policies

There are no changes in accounting policies.

Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

In October 2012 Robert Sedgemore resigned as the Company's President and Chief Executive Officer ("CEO") and John Seaman was appointed as the interim President and CEO. Iain Kelso was also appointed as the Company's Vice-President of Exploration. In July 2013 John Seaman resigned as the interim President and CEO and Marc Cernovitch was appointed as the Company's President and CEO.

During fiscal 2013 the Company incurred:

(i) $25,000 (2012 - $nil) for Mr. Cernovitch's services as the Company's President and CEO. See also (b) "*Transactions with Other Related Parties*" for payments to Mr. Cernovitch in his capacity as a non-management director of the Company;
(ii) $37,303 (2012 - $nil) for Mr. Seaman's services as the Company's interim President and CEO;
(iii) $30,000 (2012 - $30,000) for Nick DeMare's services as the Company's Chief Financial Officer ("CFO"); and
(iv) $167,310 (2012 - $28,019) for Mr. Kelso's services as the Company's Vice-President of Exploration, of which $78,152 (2012 - $6,600) was expensed to officer and director compensation and $89,158 (2012 - $21,419) was capitalized to exploration and evaluation assets.

During fiscal 2012 the Company paid $504,780 salaries and other compensation to Mr. Sedgemore and $29,152 secretarial fees to his spouse. In addition the Company paid $52,111 for apartment rental in Colombia provided for Mr. Sedgemore and his family.

(b) *Transactions with Other Related Parties*

(i) During fiscal 2013 and 2012 the Company incurred professional fees for services provided in their capacities as non-management directors of the Company as follows:

	2013 **$**	**2012** **$**
Mr. Dave Doherty - director	39,000	42,000
Mr. Cernovitch - director	35,000	68,000
Mr. Frank Taggart - director	8,750	-
Mr. Seaman - former director	1,200	18,200
Mr. Jorge Alberto Uribe - former director	8,486	20,279
	92,436	148,479

As at November 30, 2013, $nil (2012 - $2,381) remained unpaid.

(ii) During fiscal 2013 a total of $37,600 (2012 - $46,250) with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel, excluding Mr. DeMare. As at November 30, 2013, $4,300 (2012 - $7,100) remained unpaid.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

Colombia is home to South America's largest and longest running political insurgency, and over the past two decades has experienced significant social upheaval and criminal activity relating to drug trafficking. While the situation has improved dramatically in recent years, there can be no guarantee that the situation will not again deteriorate. As such, the Company is subject to governmental, political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in policies or the personnel administering them, nationalization, currency fluctuations and devaluations, exchange controls and royalty increases, renegotiation or nullification of existing concessions and contracts, changes in taxation policies, economic sanctions and the imposition of specific obligations and the other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities, insurrections, the actions of national labour unions, terrorism and abduction. Additionally, the continued perception that matters have not improved in Colombia may hinder the Company's ability to access capital in a timely or cost effective manner.

Investor Relations Activities

On May 1, 2011 the Company engaged Apex Capital Corp. ("Apex") to provide marketing and investor relations services for the Company at $8,000 per month, for a term of twelve months. Effective August 1, 2011 the arrangement was amended to $6,000 per month and, effective September 1, 2012, the arrangement was amended to $2,500 per month. During fiscal 2013 period the Company paid $30,000 (2012 - $61,500) to Apex for investor relations services.

On November 1, 2011 the Company engaged Accent Marketing GmbH ("Accent") to provide marketing and investor relations services for the Company at EUR 1,500 per month, for a term of six months. Effective May 1, 2012 the engagement of Accent is on a month to month basis. During fiscal 2013 the Company was billed $5,650 (2012 - $24,799) by Accent for investor relations services.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at March 17, 2014 there were 30,527,855 issued and outstanding common shares, 805,000 stock options outstanding to purchase common shares at exercise prices ranging from $1.00 to $2.00 per share.