SOUTHEAST ASIA MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
DECEMBER 31, 2013

Management's discussion and analysis (MD&A) is current to April 30, 2014 and is management's assessment of the operations and the financial results together with future prospects of Southeast Asia Mining Corp. ("Southeast Asia Mining", "SEA" or the "Company"). This MD&A should be read in conjunction with our audited consolidated financial statements for the years ended December 31, 2013 and 2012 and notes thereto, prepared in accordance with International Financial Reporting Standards. All figures are in Canadian dollars unless stated otherwise. Please note that as at December 31, 2013, the Canadian dollar exchange rate with the Thailand Baht ("BAHT") was 1 Canadian dollar for every 30.76 BAHT. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Southeast Asia's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A. Additional information relevant to SEA's activities, including SEA's Press Releases can be found on SEDAR at www.sedar.com.

Overview of the Business and Overall Performance

The Company was incorporated on August 18, 2006 as Southeast Asia Mining Corp. by Articles of Incorporation under the *Canada Business Corporations Act.* On November 3, 2011, the Company consolidated the common shares in the capital of the Company on a 1 for 8 basis. The focus of Southeast Asia Mining consists of mineral exploration in Thailand where it conducts business through its wholly-controlled subsidiaries Southeast Asia Exploration and Mining Company Limited (formerly Geotai Exploration and Mining Ltd.) ("SEAM"), Southeast Asia Resources Co, Ltd., White Trillium Ltd., and its 80% controlled subsidiary Southeast Asia Mining Co, Ltd. ("SEAMC"). All companies incorporated pursuant to the laws of Thailand.

Southeast Asia Mining is a junior exploration and development company engaged in the acquisition, exploration and development of mineral resource properties in Thailand. The Company has a joint agreement ("Amended JVA") whereby it has an option to earn an 80% interest in the mining lease applications of the two historical operating Song Toh and Boh Yai silver-lead-zinc mines, flotation plant and equipment (the "Property"). The mines were originally discovered by Cominco in 1948 and explored and operated by the German mining company Metalgesellschaft from 1969 to 1991 and subsequently by private Thai companies Karnchanaburi Exploration and Mining (KEMCO) Company Limited ("KEMCO") and Boh Yai Mining Company Limited ("BYMC") (collectively "Joint Partner") until 2002 when they were closed due to depressed metal prices. Historically the mines processed approximately 5.4 million tonnes of ore producing 520,000 tonnes of Pb and Zn concentrates at the 1,000 tpd flotation plant. The plant was refurbished in 2008 by SEA and its Joint Partner when approximately 60,000 tonnes of ore were processed. The Company also has a 100% interest in three special prospecting licenses (1,308 hectares) and seven special prospecting licence applications (4,400 hectares) surrounding the Property and two special prospecting license applications (2,878 hectares) for copper-gold exploration in the Province of Lopburi and Nakon Sawan within the area of the Loei-Phetchabun Gold Belt.

The Company's short term objective is to acquire an 80% interest in the KEMCO and BYMC mining lease applications by exercising the second option pursuant to the Amended JVA as discussed below. Subsequent to acquiring an 80% interest, the Company will commence the formal permitting process in order to obtain mine permits for the Song Toh and Boh Yai mines.

Going Concern Uncertainty

At December 31, 2013 the Company had a working capital deficiency of $1,114,584 (December 31, 2012 – $129,693 working capital deficiency). These amounts include convertible debentures in 2013 of $128,736 (2012 - $Nil). Working capital deficiency excluding of these convertible debentures is $985,848 for 2013 (December 31, 2012 – $129,693). The Company had not yet achieved profitable operations, has accumulated losses of $22,635,534 (December 31, 2012 – $21,036,714) and expects to incur further losses in the development of its business, all of which casts substantial doubt upon the Company's ability to continue as a going concern. Southeast Asia will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

Amended JVA

On October 15, 2012, the Company entered into an amended joint agreement with KEMCO and BYMC ("Amended JVA") which replaced all prior agreements. Under the terms of the Amended JVA, SEA can earn its 80% interest in the mining lease applications by exercising the first and second option. In connection with executing the Amended JVA, SEA made a USD$48,528 payment on signing the Amended JVA and made payment of USD$16,176 on closing of the first option to its Joint Partner as compensation for the current mine staff.

First Option
SEA may exercise the first option by making a payment of USD$500,000 and issuing 3,000,000 Common Shares to its Joint Partner prior to December 13, 2012 for the exclusive right to exercise the second option detailed below. On December 13, 2012 SEA exercised the first option.

Second Option
SEA may exercise the second option by making a USD$2,500,000 payment to its Joint Partner on July 11, 2013. Upon making the payment, SEA will have earned an 80% interest in the mining lease applications and will assume operatorship of the project. The mining lease applications will be effectively transferred to SEAMC which is controlled 80% by SEA and 20% by its Joint Partner. The transfer of ownership is further described below under Mining Lease Applications Transfer of Title.

On July 5, 2013, the second option payment outlined above was extended from July 11, 2013 to September 30, 2013. On September 24, 2013, the second option payment outlined above was extended from September 30, 2013 to January 31, 2014.

Production Payments
In order to maintain its 80% ownership interest in the Property, SEA is required to make the following production payments:

- Upon completion of the first complete calendar year following the commencement of commercial production at the Boh Yai mine, SEA must pay USD$600,000 and 20% of any net profits in excess of USD$2,000,000;
- Upon completion of the second and third complete calendar years following the commencement of commercial production at the Boh Yai mine, SEA must pay the greater of USD$2,000,000 or 20% of the net profits;
- Upon completion of the fourth complete calendar year following the commencement of commercial production at the Boh Yai mine, SEA must pay USD$400,000 and 20% of any net profits in excess of USD$2,000,000; and
- Upon completion of the fifth complete year following the commencement of commercial production at the Boh Yai mine, SEA must pay 20% of any net profits in excess of USD$2,000,000 and thereafter 20% of net profits.

Equipment Option
In addition to the option to earn an 80% interest in the Property, SEA has been granted the option to earn an 80% interest in a flotation plant, buildings and equipment by making installment payments to its Joint Partner totalling USD$1,400,000. The installment payments are as follows:

Date	Amount
October 15, 2013 to June 15, 2015	USD$5,823 per month
July 15, 2015	USD$377,709
August 15, 2015 to December 15, 2015	USD$6,470 per month
January 15, 2016	USD$467,648
February 15, 2016 to June 15, 2016	USD$6,470 per month
July 15, 2016	USD$367,650

On September 24, 2013, the payment of the above noted installments were deferred until the earlier of the exercise of the second option or January 31, 2014.

On February 3, 2014, the second option payment outlined above was extended from January 31, 2014 to July 15, 2014.

On the date that is six months following the receipt of a mining permit at the Boh Yai mine, the remaining installment payments are due. Upon making the total payment of USD$1,400,000 ownership of the equipment will transfer to SEAMC. In the event that SEA fails to make an equipment option payment the option to acquire the equipment shall terminate.

Mining Lease Applications
The mining lease applications subject to the Amended JVA are as follows:

Company	**Company Relationship to SEA**	**Mining Lease Number**	**License Priority**
KEMCO	Joint Partner	14/2520, 63/2523, and 37/2526	First Priority
BYMC	Joint Partner	41/2528, 42/2528, 8/2529, 18/2540, 19/2540, 10/2550, and 3/2555	First Priority
SEAMC	80% controlled subsidiary of SEA and 20% controlled by Joint Partner	7/2555 and 8/2555	Second Priority

Exploration Licenses
The Company has a 100% interest the following special prospecting licenses and special prospecting license applications on areas which are adjacent to the Song Toh and Boh Yai mines.

Company	**Company Relationship to SEA**	**Special Prospecting License Number**	**License Priority**
SEAM	Wholly controlled subsidiary of SEA	2/2552, 3/2552, and 4/2552	First Priority
		Special Prospecting License Application Number	
SEAM	Wholly controlled subsidiary of SEA	1/2555, 2/2555, 3/2555, 4/2555, 5/2555, 6/2555, and 7/2555	First Priority

Mining Lease Applications Transfer of Title

The principal law governing exploration and mining in Thailand is the Minerals Act B.E. 2510 (1967) (the "**Minerals Act**"), as amended, which allows for first priority mining lease applications and subordinate mining lease applications to be filed for overlapping areas.

KEMCO, a party to the Amended JVA, currently holds first priority mining lease applications Nos. 14/2520, 63/2523 and 37/2526 located on an area of land referred to as the Song Toh mine. BYMC, a party to the Amended JVA, currently holds first priority mining lease applications Nos. 41/2528, 42/2528, 8/2529, 18/2540, 19/2540, 10/2550 and 3/2555 located on an area of land referred to as the Boh Yai mine. SEAMC has submitted second priority mining lease applications nos. 7/2555 and 8/2555 which overlap the first priority mining lease applications currently held by KEMCO and BYMC as listed above and other areas covered by SEAM special prospecting license Nos. 2/2552, 3/2552, 4/2552.
The Company's rights to the mining applications come from i) SEAMC's secondary mining lease applications Nos. 7/2555 and 8/2555 already submitted and ii) KEMCO's and BYMC's obligations to withdraw their respective priority mining lease applications for areas overlapping SEAMC's secondary mining lease applications as set forth in of the Amended JVA.

Pursuant to the Amended JVA, upon closing of the second option KEMCO and BYMC shall withdraw their respective first priority mining lease applications and SEAMC's second priority mining lease applications will be advanced to first priority moving forward according to applicable law subsequent to the closing of the second option.

Upon closing of the second option and the advancement of SEAMC's second priority mining lease application to first priority the Company will commence the formal mining lease application process.

GENERAL DEVLOPMENT OF THE BUSINESS

The Company has made the following progress with respect to the Property:

- On October 15, 2012, the Company entered into an Amended JVA which provides SEA with the option to earn an 80% interest in the mining lease applications comprising the mines and an option to earn an 80% interest in the flotation plant, buildings and equipment as outlined above,
- On October 30, 2012, Southeast Asia Mining received a resource estimate of 2,895,500 tonnes Indicated and 1,955,000 tonnes Inferred for the Boh Yai and Song Toh mines in Thailand. The NI 43-101 compliant mineral resource was estimated by ACA Howe International Limited ("ACA Howe") using historical diamond drilling results that were verified by analyses of stored core and pulp samples. The resource table and notes are set out in detail below,
- From November 2012 to February 2013, the Company closed a private placement of unsecured convertible debentures for total gross proceeds of $927,296,
- On December 13, 2012, SEA paid US$500,000 and issued 3 million shares of the Company to its Joint Partner pursuant to the exercise of the first option under the Amended JVA,
- During 2012 work was completed in order to officially commence mine permitting subsequent to closing of the second option. The permitting work consisted of the following:
  - preparation of a conceptual tailings management plan,
  - waste and ground water management preliminary assessment,
  - geotechnical study,
  - mine plan, and
  - preparatory work related to an Environmental and Health Impact Assessment.
- During 2012, the Company also conducted an exploration program on the three special prospecting licenses located adjacent to the Song Toh and Boh Yai mines sites. Work has included surface geological mapping, geochemical soil survey and an IP survey. The results of

the soil survey and the IP survey were encouraging and management is now planning the next phase of follow up exploration in order to identify future drill targets.

- On April 12, 2013, the Company announced the results of a NI 43-101 compliant Preliminary Economic Assessment ("PEA"). Highlights of the PEA are as follows:
  - NPV $88.8 million, IRR 148%, payback 1.3 years: pre-tax, 7.5% discount, and 100% of Project
  - NPV $69.6 million, IRR 112%, payback 1.5 years: after-tax, 7.5% discount, and 100% of Project
  - Average EBITDA $13.8 million per annum
  - Mill Throughput 300,000 tonnes per annum
  - Pre-production capital requirements $12.6 million
  - Life of mine 13.6 years
  - Life of mine production: 131,315 tonnes of lead concentrate with average grades of 71% Pb and 1,278 g/t Ag and 128,318 tonnes of zinc concentrate with average grades of 54% Zn containing the following net smelter return values:
    - Lead $152.6 million
    - Silver $131.3 million
    - Zinc $94.3 million
  - Metal prices: three year trailing average prices - Silver $30 /oz, Lead $1.00 /lb, and Zinc $0.95 /lb.
  - Breakeven: point at which project repays capital only - Silver $18.21 /oz, Lead $0.61 /lb, and Zinc $0.58 /lb.
- On April 22, 2013 the Company announced a brokered private placement of a minimum of $6 million. Given the unfavorable market conditions the Company is no longer actively pursuing the financing and is currently focused on potential strategic relationships with multiple parties. The Company will continue to monitor the availability of traditional equity financing.

Resource Estimate

The following table presents the resource estimate used in the preparation of the PEA. The resource estimation procedure is fully described in the November 2012 NI 43-101 Technical Report.

Deposit	Class	Tonnes	Pb, %	Zn, %	Ag, g/t
Boh Yai	Indicated	2,138,000	3.12	3.49	73.84
Song Toh SW	Indicated	318,000	2.84	0.25	87.27
Song Toh Camp	Indicated	439,000	6.29	1.42	56.13
Total	Indicated	2,896,000	3.57	2.82	72.63
Boh Yai	Inferred	1,643,000	2.36	3.37	44.10
Song Toh SW	Inferred	179,000	4.70	0.05	78.35
Song Toh Camp	Inferred	133,000	7.80	3.53	68.40
Total	Inferred	1,955,000	2.95	3.08	48.89

Notes for Resource Estimate:

1. Cut-off grade for mineralized zone interpretation was 3.0% Pb Equivalent.
2. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

3. The database used by ACA Howe for the resource estimate contains 3,914 Pb, Zn and Ag assay results from 551 surface and underground diamond drill holes (total of 58,078 metres). Samples were assayed historically by the mine laboratory at Song Toh with check samples by SGS. A representative number of core and pulp samples that were analysed in 2012 by ALS provided verification of the historical assays.
4. Lead Equivalent - Pbeq - was calculated using prices of US$0.93/lb lead, US$0.90/lb zinc, and US$ 23.03/oz silver, (with no provision for metallurgical recoveries). The formula used was Pbeq% = Pb% + 0.962Zn (%) + 0.0360Ag (g/t). Small discrepancies may exist due to rounding errors.
5. Mineralized domains were modelled with the aid of drill results and detailed interpretations of geology recorded on historical plans. A total of 42 individual domains was identified, including 28 at the Boh Yai deposit 9 at the Song Toh SW deposit and 5 at the Song Toh Camp deposit.
6. Micromine block models with block cell dimensions of 4.0 metres and sub blocks of 2.0 metres were coded to reflect surface topography and geology. Metal values from 1.0 metre drill composites were interpolated to block models using Inverse Distance Squared weighting (IDW2) according to parameters and search ellipsoids established from analysis of the variography within each domain. A three-pass approach was used to interpolate metal into the blocks. A density factor of 2.9 t/m3 was assigned to all mineralized domains based on historical measurements of specific gravity. For resource classification, 2 drill holes with 3 composites and a search distance less than the range were required for Indicated category, remaining blocks were assigned to Inferred category.
7. Resource estimate prepared by Richard Parker, C.Eng.

The technical aspects of this MD&A have been reviewed and approved by Mr. Felix Lee BSc, MBA, PGeo, President, A.C.A. Howe International Limited and the "Qualified Person" as defined by National Instrument 43-101 for the Project.

Operational Discussion
The following is management's discussion and analysis of the results of operations and liquidity and financial condition of the Company for the year ended December 31, 2013. The MD&A should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2013 and 2012.

The following MD&A provides a summary of the audited financial information of the Company contained elsewhere herein. This discussion contains forward looking statements that involve certain risks and uncertainties. See "*Forward Looking Information*".

Results of Operations and Selected Annual Information
The following tables set forth financial information for the Company which has been summarized from the Company's consolidated financial statements for the years ended December 31, 2013 and 2012 and financial information for the eight most recent three month periods. This summary information should be read in conjunction with the Company's audited financial statements for the years ended December 31, 2013 and 2012, including the notes thereto.

Statement of Operations Data	Three month period ended December 31, 2013 $	Year ended December 31, 2013 $	Three month period ended December 31, 2012 $	Year ended December 31, 2012 $ Restated (1)	Year ended December 31, 2011 $
Expenses	303,117	1,395,246	1,925,340	3,246,100	1,811,760
Net Loss	(303,117)	(1,395,246)	(1,925,340)	(3,246,100)	(1,811,760)
Net Loss per Share – Basic and diluted	$(0.01)	$(0.04)	$(0.07)	$(0.12)	$(0.13)
Balance Sheet Data					
Total Assets	148,412	148,412	712,953	712,953	1,644,326
Working Capital (Deficiency)	(1,114,584)	(1,114,584)	(129,693)	(129,693)	876,849
Long Term Liabilities	-	-	-	-	-
Shareholders' Equity (Deficiency)	(1,070,326)	(1,070,326)	(20,955)	(20,955)	1,039,832

Results for the eight most recent three month periods ended:

	December 31, 2013 $	September 30, 2013 $	June 30, 2013 $	March 31, 2013 $
Total revenue	-	-	-	-
Net loss	303,117	233,056	373,860	485,213
Loss per share	0.01	0.01	0.01	0.01

	December 31, 2012 $	September 30, 2012 $	June 30, 2012 $	March 31, 2012 $
Total revenue	-	-	-	-
Net loss	1,925,340	463,882	363,447	493,431
Loss per share	0.07	0.02	0.01	0.02

(1) Restatement of Prior Year Balances

In the year ended December 31, 2012, the Company closed the first tranche of the brokered private placement of unsecured convertible debentures. The debentures were classified as a liability, with the exception of the portion relating to the conversion feature that was classified as equity.

Based on the debenture agreement the Company has no obligation to settle in cash or exchange other assets or liabilities. Also, the settlement in equity will not vary based on the share price of the Company. Under IAS 32.16 such instruments are classified as equity instruments.

Accordingly the comparative numbers for the year ended December 31, 2012 have been restated. A summary of the effects for the year ended December 31, 2012 are as follows:

i) Statement of Financial Position: A decrease in convertible debentures in current liabilities by $924,611 from $924,611 to $Nil and an increase in "reserves for convertible debenture" within shareholders' equity (deficiency) by $924,611 from $(945,566) to $(20,955).

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ii) Statement of loss and comprehensive loss: A decrease in net loss by $120,063 from $3,366,163 to $3,246,100. This did not result in any change in the loss per share presented.

iii) Statement of cash flows: An increase in the cash used in operating activities by $90,283 from $1,905,267 to $1,814,984 and a decrease in the cash provided from financing activities by $90,283 from $927,296 to $837,013.

Three Months Ended December 31, 2013 vs 2012

Southeast Asia incurred a net loss of $303,117 or $0.01 per share for the three month period ended December 31, 2013 compared to $1,925,340 or $0.07 per share for the three month period ended December 31, 2012. The more significant differences are outlined below.

During the three month period ended December 31, 2013, exploration and evaluation expenses decreased to $213,870 compared to $1,235,441 during the same period in 2012. The decrease is due to the Company conserving cash as it works towards securing additional financing to continue advancing the project. The higher amount in 2012 is due to USD$500,000 paid and 3,000,000 shares issued with a fair value of $600,000 on the exercise of the first option and due to the Company's increased focus on advancing the permitting process on its properties in Thailand and the completion of a NI 43-101 compliant resource.

During the three month period ended December 31, 2013 management and consulting expenses decreased by $105,711 to $94,505 compared to $200,216 in the same period in 2012. The decrease in consulting is attributable to the CFO resigning during 2013 and better cost control by the Company in the current economic environment.

Professional fees for the three month period ended December 31, 2013 were $(48,406) compared to $84,867 in the same period in 2012. Professional fees decreased as the Company conserves cash as it works towards securing additional financing to continue advancing the project. The negative balance in the current quarter is due to credits the Company was able to negotiate and adjustments to various accruals.

During the three month period ended December 31, 2013, office and general expenses decreased by $21,536 to $23,822 compared to $45,358 in the same period in 2012 due to a focus on reducing general expenditures.

During the three month period ended December 31, 2013, shareholders information and regulatory costs increased by $7,365 to $19,326 compared to $11,961 in the same period in 2012. The amount remained consistent between the two periods.

Year Ended December 31, 2013 vs 2012

Southeast Asia incurred a net loss of $1,395,246 or $0.04 per share for the year ended December 31, 2013 compared to $3,246,100 or $0.12 per share for the year ended December 31, 2012. The more significant differences are outlined below.

During the year ended December 31, 2013, exploration and evaluation expenses decreased to $562,459 compared to $2,037,036 during the same period in 2012. The decrease is due to the Company conserving cash as it works towards securing additional financing to continue advancing the project. The higher amount in 2012 is due to USD$500,000 paid and 3,000,000 shares issued with a fair value of $600,000 on the exercise of the first option and due to the Company's increased focus on advancing the permitting process on its properties in Thailand and the completion of a NI 43-101 compliant resource.

Share based payments were $248,000 for the year ended December 31, 2013 compared to $347,000 for the same period in 2012.
During the year ended December 31, 2013 management and consulting expenses decreased by $98,437 to $265,944 compared to $364,381 in the same period in 2012. The decrease in consulting is attributable to the CFO resigning during 2013 and better cost control by the Company in the current economic environment.

Professional fees for the year ended December 31, 2013 were $137,145 compared to $268,725 in the same period in 2012. Professional fees decreased as the Company conserves cash as it works towards securing additional financing to continue advancing the project.

During the year ended December 31, 2013, office and general expenses decreased by $52,254 to $145,737 compared to $197,991 in the same period in 2012 due to a focus on reducing general expenditures.

During the year ended December 31, 2013, shareholders information and regulatory costs increased by $13,586 to $35,961 compared to $22,375 in the same period in 2012. The amount remained consistent between the two periods.

Related Party Transactions and Key Management Compensation

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

		December 31, 2013		December 31, 2012
Short-term employee benefits – paid	**$**	**55,250**	$	102,000
Short-term employee benefits – payable		**236,250**		77,000
Short-term employee benefits – shares issued for services (Note 13)		**-**		200,000
Share based payments		**193,000**		321,000
Total compensation to key management	**$**	**484,500**	$	699,000

At December 31, 2013, included in trade and other payables is $300,000 (December 31, 2012 - $163,000) due to these key management personnel.

Capital Resources and Liquidity

As at December 31, 2013, the Company had a working capital deficiency of $1,114,584 (December 31, 2012 – $129,693 working capital deficiency). Excluding the convertible debentures, the working capital deficiency for 2013 is $985,848 (December 31, 2012 – $129,693). The decrease of $856,155 (excluding convertible debentures) is the result of a reduction in cash of $316,007, and a net decrease in other working capital of $540,148.

The convertible debentures are classified as a short term liability as at December 31, 2013 as the maturity date is December 31, 2014. As at the date of this MD&A, the Company expects to convert the debentures into units and that no cash will be used to extinguish these liabilities.

A summary of the Company's cash position and changes in cash for the years ended December 31, 2013 and 2012 are set out below:

	Year ended December 31, 2013 $	Year ended December 31, 2012 $
Cash used in operating activities – net	**(605,213)**	(1,814,984)
Cash provided by financing activities	**226,336**	837,013
Cash provided by investing activities	**59,409**	50,323
Decrease in cash	**(319,468)**	(927,648)
Foreign exchange gain (loss) on cash held in foreign currency	**3,461**	(2,674)
Cash and cash equivalents, beginning of year	**408,316**	1,338,638
Cash and cash equivalents, end of year	**92,309**	408,316

Cash Used in Operating Activities
Cash used in operating activities for the year ended December 31, 2013 was $605,213 compared to $1,814,984 for the corresponding year ended December 31, 2012. The decrease in cash used in 2013 compared to 2012 is primarily due to the Company's focus on conserving cash due to the current financing environment in the mining sector.

Cash Generated by Financing Activities
Total cash generated by financing activities during the year ended December 31, 2013 was $226,336 which is the result of the issuance of convertible debentures in the current period compared to $837,013 from the issuance of convertible debentures in the prior period.

Cash Used in Investing Activities
Total cash provided from investing activities during the year ended December 31, 2013 was $59,409 compared to cash provided from investing activities of $50,323 for the corresponding year ended December 31, 2012. The increase in cash from investing activities is primarily due to a larger release of restricted cash during the period.

<u>Recent Financing Activities</u>

Capital Stock

Over the period from August 11, 2011 to October 11, 2011 the Company closed several tranches of a non-brokered private placement which generated gross proceeds of $2,511,137 in cash in addition to the conversion of $897,480 in outstanding accounts payable. The financing consisted of 137,344,697 units (17,043,082 post consolidation units), of which 25,642,286 units (3,205,286 post consolidation units), were issued on conversion of outstanding accounts payable. Each unit was issued at $0.025 and was comprised one common share and one half of one common share purchase warrant for a total of 68,172,348 pre consolidation warrants (8,521,544 post consolidation warrants) being issued with each full warrant exercisable at $0.035 ($0.28 post consolidation) for a period of 36 months.

In connection with the financing, the Company paid eligible persons a cash finder's fee of $171,796 and issued 6,849,185 finder's warrants (856,147 post consolidation warrants). Each finder's warrant entitles the holder to subscribe for one unit made up of one common share and one half common share purchase warrant at a price of $0.025 ($0.20 post consolidation) per unit for a period of 36 months. The underlying broker warrant is exercisable at $0.035 ($0.28 post consolidation) for a period of 36 months.

On November 5, 2012, the Company issued 1,052,192 shares to settle $210,438 in outstanding accounts payable. The shares were issued at a price of $0.20 which represents the fair value of the shares on the date of settlement.

On December 4, 2012 the Company issued 3,000,000 shares as part of the exercise of its first option pursuant to the Amended JVA. The shares were issued at a price of $0.20 which represents the fair value of the shares on the date of issuance.

On December 17, 2012 the Company issued 1,000,000 shares to the CEO of the Company for services provided. The shares were issued at a price of $0.20 which represents the fair value of the shares on the date of settlement.

On December 31, 2012 the Company issued 37,022 shares to various debenture holders as settlement of $12,958 in dividends on the convertible debentures up to December 31, 2012. The shares were issued at a price of $0.35 which represents the fair value of the shares on the date of settlement.

On April 16, 2013 the Company issued 139,892 shares to various debenture holders as settlement of $48,966 of dividends on the convertible debentures up to March 31, 2013. The shares were issued at a price of $0.35 which represents the fair value of the shares on the date of settlement.

On July 22, 2013 the Company issued 143,306 shares to various debenture holders as settlement of $50,157 of dividends on the convertible debentures up to June 30, 2013. The shares were issued at a price of $0.35 which represents the fair value of the shares on the date of settlement.

On October 3, 2013 the Company issued 167,198 shares to various debenture holders as settlement of all dividends accrued on the convertible debenture up to September 30, 2013 of $50,161. The shares were issued at a price of $0.30 which represents the fair value of the shares on the date of settlement.

On December 31, 2013 the Company issued 180,955 shares to various debenture holders as settlement of $54,289 in dividends on the convertible debentures up to December 31, 2013. The shares were issued at a price of $0.30 which represents the fair value of the shares on the date of settlement.

Convertible Debentures

On December 7, 2012, the Company closed the first tranche of its brokered private placement of unsecured convertible debentures ("Debenture") for gross proceeds of $927,296. These Debentures were issued at a 2% discount to face value. Therefore, face value of these debentures issued was $946,220. On the maturity date, each Debenture will be convertible into units of the Company at a price of $0.35 per Unit prior to June 30, 2013 and at a price of $0.30 per Unit thereafter. Each Unit consists of one common share in the capital of the Company and one-half of a Common Share purchase warrant. Each Warrant will entitle the holder thereof to purchase one Common Share at a price of $0.50 per Common Share in the event that the maturity date is prior to June 30, 2013, and at a price of $0.40 in the event the maturity date is after June 30, 2013 for a period of two years from the maturity date. The maturity date is the earlier of: the date the Company receives approval for the listing of its Common Shares on a recognized stock exchange; the date upon which a change of control occurs; and December 31, 2014. The rate of interest on the Debentures is 20% per annum, payable quarterly in equal installments on March 31, June 30, September 30 and December 31 of each year in cash or Common Shares, at the option of the Company. In consideration of the services rendered by the Agent, the Agent received a cash commission of $90,283. The Agent also received 179,040 broker warrants. Each Broker Warrant entitles the Agent to purchase one Common Share at a price of $0.35 per Common Share for a period of 24 months from the closing of the private placement.

On February 13, 2013, the Company closed the second tranche of its Debentures. Tranche two consisted of additional gross proceeds of $55,860. Total combined gross proceeds were $983,156 for the first and second tranche.

On November 21, 2013 the Company closed a non-brokered private placement of unsecured convertible debentures for gross proceeds of $180,105. The Debentures were issued at a 2% discount to the face value of $183,780. On the maturity date, each Debenture will be convertible into units of the Company at a price deemed to be a 20% discount to the price of securities issued in connection with a qualifying transaction. Each Unit consists of one common share in the capital of the Company and one-half of a Common Share purchase warrant. Each Warrant will entitle the holder thereof to purchase one Common Share for a period of two years from the maturity date at a price deemed to be a 20% premium to the price of securities issued in connection with a qualifying transaction. The maturity date is the earlier of: the date the Company receives approval for the listing of its Common Shares on a recognized stock exchange; the date upon which a change of control occurs; December 31, 2014; or in cash at any time at the discretion of the Company. A qualifying transaction is: a private placement of equity securities of the Company or convertible debt instruments of the Company, where the conversion price of such debt securities is determined; a merger, reverse takeover, amalgamation, arrangement or other reorganization by the Company with another unrelated entity; the sale, lease or transfer of all or substantially all of the Company's assets to any other person or persons; or such other transaction that the directors can reasonably determine a value for the securities of the Company.

The rate of interest on the Debentures is 20% per annum, payable quarterly in equal installments on December 31, March 31, June 30, and September 30 of each year in cash or Common Shares, at the option of the Company.

In consideration of the services rendered by qualifying brokers, the qualifying brokers received a cash commission of $9,436. The qualifying brokers also received 27,511 broker warrants. Each Broker Warrant entitles the qualifying broker to purchase one Common Share at a price of $0.35 per Common Share for a period of 24 months from the closing of the private placement and had a value of $4,000. The total cost of $13,629 has been expensed for the year ended December 31, 2013.

<u>Liabilities and Obligations</u>
The Company's liabilities and obligations for the following five years and thereafter as of December 31, 2013, are summarized below.

Contractual Obligations	**Payments due by period**				
	Total	**Less than 1 year**	**1 – 3 years**	**4 – 5 years**	**After 5 years**
Trade payables and accrued liabilities	$1,090,000	$1,090,000	Nil	Nil	Nil
Convertible debentures – face value (1)	$129,000	$129,000	Nil	Nil	Nil
Property payments $US (2)	$2,500,000	$2,500,000	Nil	Nil	Nil
Equipment option $US (3)	$1,400,000	$70,000	$515,000	$815,000	Nil
Total contractual obligations	$5,119,000	$5,119,000	$515,000	$815,000	Nil

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Note: (1) The convertible debentures are convertible to capital stock at the Company's option. The Company does not anticipate the debentures to be settled for cash.
(2) To exercise the second option on the property, the Company must make a USD$2,500,000 payment to its Joint Partner on January 31, 2014, which subsequently extended to July 15, 2014.
(3) See page 2 of this MD&A for full details of the required payments pursuant to the Amended JVA. Amounts are in $US.

The Company currently does not have a source of operating cash flow. Additional funds will be required to explore and develop the Company's properties, if they are proven successful, and to eventually place them into commercial production. In addition, the Company intends to cautiously pursue the acquisition of other mineral properties in the South East Asia region which will also require funding. The only sources of future funds presently available to the Company are through the sale of equity or issuance of debt instruments, or the sale by the Company of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in obtaining any additional required funding necessary to explore, evaluate and develop the exploration properties. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in its properties, and also render the Company unable to pursue other mineral property opportunities.

In 2013 a statement of claim was filed against the company by a supplier of services in the amount of $73,665. The Company has filed a statement of defense, provided for the full amount in the financial statements, and is of the opinion the amount claimed is excessive for the services provided by the supplier.

Subsequent Events
On February 3, 2014 the Company was granted an extension of the second option payment and the equipment option installments from January 31, 2014 to July 15, 2014 and as required pursuant to its Joint Agreement.

Off-Statement of Financial Position Arrangements
The Company has no off-statement of financial position arrangements.

Dividend Information
The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

The interest on the debentures that are classified as equity is treated as dividends in these financial statements.

Proposed Transactions
The Company does not anticipate any major proposed asset or business acquisitions or dispositions as of the date hereof.

Additional Disclosure for Venture Issuers without Significant Revenue

	December 31, 2013 $	December 31, 2012 $
Corporate expenses	**1,395,246**	3,246,100
Total assets	**148,412**	712,953
Corporate expenses		
Share based payments	**248,000**	347,000
Exploration and evaluation expenditures	**562,459**	2,037,036
Management and consulting fees	**265,944**	364,381
Office and general	**145,737**	197,991
Professional fees	**137,145**	268,725
Shareholder information and regulatory costs	**35,961**	22,375
Travel	**-**	8,592
	1,395,246	3,246,100

A breakdown of the Company's exploration and evaluation expenditures is provided below:

	December 31, 2013 $	December 31, 2012 $
Exploration and evaluation expenditures		
Exercise of first option	**$ -**	$ 1,095,250
Salaries and benefits	**103,210**	115,657
Consultants	**193,724**	503,171
Exploration work	**237,920**	100,894
43-101 report	**-**	199,261
Transportation	**27,605**	22,803
	$ 562,459	$ 2,037,036

Disclosure of Outstanding Share Data as of April 30, 2014

	Authorized	**Outstanding**
Voting or equity securities issued and outstanding	Unlimited Common Shares	32,249,180 Common Shares(1)
Securities convertible or exercisable into voting or equity shares		a) Options to acquire up to 2,975,000 common shares b) 10,012,315 Warrants exercisable to acquire common shares of the Company c) 3,344,066 shares issuable on conversion of Convertible debentures with face value of $1,003,220(2) d) 612,600 shares issuable on conversion of Convertible debentures with face value of $183,780(3)

(1) Including 668,373 shares issued as consideration for interest on the convertible debentures to December 31, 2013.

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(2) Subsequent to June 30, 2013 the convertible debentures are convertible into units at a price of $0.30 per unit. Each unit consisting of one common share and one-half of a common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at a price of $0.40.
(3) The convertible debentures are convertible into units at a price deemed to be a 20% discount to the price of securities issued in connection with a qualifying transaction. Each unit consisting of one common share and one-half of a common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at a price deemed to be a 20% premium to the price of securities issued in connection with a qualifying transaction. The above shares issuable on conversion assumes a conversion price of $0.30 per unit.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these consolidated financial statements using accounting policies in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to valuation of deferred income tax amounts, determination of the appropriate amount of decommissioning liabilities, the estimated life for its property plant and equipment, and the calculation of share-based payments, warrants and the value of the conversion rights on convertible debentures. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Calculation of share based payments, warrants and conversion rights on convertible debentures
The Black-Scholes option pricing model is used to determine the fair value for the share based payments, warrants and conversion rights and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

Fair value of financial instruments
Where fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes
Tax interpretations, regulations and legislation in the various jurisdictions in which the Company and its subsidiaries operate are subject to change and interpretation. As such, income taxes are subject to measurement uncertainty. The Company follows the liability method for calculating deferred taxes. Assessing the recoverability of deferred tax assets requires the Company to make significant estimates related to the expectations of future cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the deferred tax assets and liabilities recorded at the statement of financial position date could be impacted. Additionally, changes in tax laws could limit the ability of the Company to obtain tax deductions in the future.

Useful life of assets subject to depreciation

The Company reviews at the end of each reporting period the useful life of assets subject to depreciation.

Decommissioning liability

These are made based on pre-tax discounting of the estimated future settlement amounts. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the provision required for decommissioning as a result of contamination and damages, if any, caused by exploration and evaluation activities. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed quarterly and are based on current regulatory requirements. Significant changes in estimates will result in changes to provisions on a quarterly basis. Actual rehabilitation costs will ultimately depend on actual future settlement amount for the rehabilitation costs which will reflect the market condition at the time of the rehabilitation costs are actually incurred.

The Company estimates that no decommission provision is required as of December 31, 2013 and 2012.

Functional currency

The Company's management is required to make judgments as to the currency of the primary economic environment in which an entity operates to determine the functional currency of the entity. The Company has determined that the functional currency of the parent company to be the Canadian dollar and the BAHT is the functional currency for its Thai subsidiaries.

Going concern assumption

Going concern presentation of the consolidated financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

FINANCIAL RISK FACTORS

Fair value hierarchy and fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data.

The Company has designated its cash and cash equivalents and as FVTPL, which are measured at fair value and are based on Level 1 measurements. As at December 31, 2013, the carrying and fair value amounts of the Company's other financial instruments are approximately equivalent due to the relatively short periods to maturity of these investments. Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value amount carried on the balance sheet.

a. **Cash and cash equivalents and deposits** – Cash and cash equivalents and deposits are held with a major Canadian bank (chartered bank) and Thai banks and therefore the risk of loss is minimal.

b. **Trade and other receivables** – The Company is not exposed to significant credit risk as this amount is due from the Canadian and Thai governments.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at December 31, 2013 the Company had a working capital deficiency of $1,114,584 (December 31, 2012 – $129,693 working capital deficiency). There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of Southeast Asia may change and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit some or all of its interests and reduce or terminate its operations therein.

iii) Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term nature of its monetary assets and liabilities. Cash not required in the short term, is invested in short-term guaranteed investment certificates, as appropriate.

iv) Currency risk

The Company is exposed to significant currency rate risk as the majority of its assets are located in Thailand and the majority of its operating expenditures, at the subsidiary level, are incurred in Thai baht.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

During the year ended December 31, 2013, there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Operational Risk Factors

The following risk factors should be given special consideration when evaluating trends, risks and uncertainties relating to the Company's business. Any of the following risks could have a material adverse effect upon the Company, its business and future prospects. In addition, other risks and uncertainties not presently known by management of the Company could impair the Company and its business in the future.

There are various risks that could have a material adverse effect on among other things, the properties, business, condition (financial or otherwise) and the prospects of the Company. These factors should be reviewed carefully. Set out below are certain risk factors affecting the Company.

Future Exploration and evaluation Activities
Exploration and evaluation of mineral properties involve significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling, constructing mining and processing facilities at a site, developing metallurgical processes and extracting metals from ore. The Company cannot ensure that its current exploration and evaluation programs will result in profitable commercial mining operations, if any. Also, substantial expenses may be incurred on an exploration project, which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically.

The economic feasibility of development projects is based upon many factors, including the accuracy of reserve estimates, metal recoveries, capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental protection; and precious metal prices, which are highly volatile. Transferring an exploration and evaluation asset to development project are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing.

None of the Company's projects have operating history upon which to base estimates of future cash flow. Estimates of measured, indicated and inferred resources are, to a large extent, based upon detailed geological and engineering analysis.

Non-compliance with or non-satisfaction of the terms of the Amended JVA
The Company does not currently own its properties in Thailand, but rather holds certain rights to acquire an ownership interest in the Property. However, the transfer of ownership will not be completed until the Company has satisfied all of its obligations pursuant to the Amended JVA. Any non-compliance with or non-satisfaction of the terms of the Amended JVA by the Company could result in the Company losing its interest in its properties which would have a material adverse effect on the Company's operations.

The Company currently depends on its properties in Thailand
The Company only has a material interest in its Thai properties. As a result, unless the Company acquires additional properties or projects, any adverse development affecting these properties could have a material adverse effect on the Company and would materially and adversely affect the Company's potential mineral resource production, profitability, financial performance and results of operations.

Title to Properties and Property Interests
Although the Company has obtained title opinions with respect to certain of its properties and has taken reasonable measures to ensure proper title to its respective properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interest.

The agreements pursuant to which the Company holds its rights in certain of the properties provide that the Company must make a series of cash and/or common share payments over certain periods. If the Company fails to make such payments in a timely manner, the Company may lose some, or all of its interest in those properties.

Government regulations and lack of mineral rights licences may adversely affect the Company's Operations

The Company's mining operations and exploration activities are subject to laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, mine development, prospecting, mineral production, exports, taxes, labour standards, occupational health standards, toxic wastes, and other matters. It is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of permits and agreements applicable to the Company, its subsidiaries or its properties, which could have a material adverse impact on the Company's current exploration program and future development projects.

Where required, obtaining necessary permits, licences and leases can be a complex, time consuming process and the Company cannot assure that required permits, licences and leases will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, licences and leases and complying with these permits, licences and leases and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the exploration and evaluation of a project or the operation. Any failure to comply with applicable laws and regulations or permits, licences and leases, even if inadvertent, could result in interruption or closure of an exploration and evaluation asset, or material fines, penalties or other liabilities.

To date the Company does not hold any mining leases or land use permits on the Property. Although applications with appropriate governmental authorities will be made upon closing of the second option for the issuance of mining licences, there is no guarantee that such leases and permits will be obtained or that they will be obtained in a timely manner or without modification or amendment. The failure to obtain such leases and permits would have a material adverse effect on the Company's operations.

The Company holds special prospecting licences for certain areas surrounding its Thai properties, however, there is no guarantee that such licenses will be renewed.

There is no assurance the special prospecting license applications the Company has submitted will be advanced to a special prospecting license.

The Company's operations are subject to risks and hazards inherent in the mining industry

Operations in which the Company currently has an interest and those in which the Company may have an interest, in the future, will be subject to all of the hazards and risks normally incidental to exploring, developing and exploiting natural resources. These risks and hazards include, but are not limited to, environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geologic formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and metal recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions and losses.

Should any of these risks and hazards affect the Company's mining operations or its exploration activities, it may cause the cost of production to increase to a point where it would no longer be economic to produce mineral resources from the Company's reserve, it may require the Company to write-down the carrying value of one or more mines or a property which is material to it, it may cause delays or a complete stoppage in the production of metals, it may result in damage to or destruction of mineral properties or processing facilities, it may result in personal injury or death or legal liability, all of which may have a material and adverse effect on the financial condition, results of operation, and cash flows of the Company.

The Company has no history of mineral production

The Company has never had mineral producing properties. There is no assurance that commercial quantities of minerals will be discovered at the Property or other future properties nor is there any assurance that the Company's exploration programs thereon will yield positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where mineral resources can profitably be produced therefrom. Factors which may limit the ability of the Company to produce mineral resources from its properties include, but are not limited to, the price of the mineral resources which are currently being explored for, availability of additional capital and financing, and the nature of any mineral deposits. Even if the Company discovers mineralization on its Property, extraction may not be economically viable.

Local Conditions in Thailand may adversely affect the Company's operations

Changes in political, social, business and economic conditions in Thailand could have a material effect on the business of the Company. The Company's operations and assets are concentrated in Thailand. Therefore, political, social, business and economic conditions in Thailand will have significant effect on the business of the Company. Thailand has been assessed as medium political risk by AON Political Risk, alongside South Africa and China. Any changes to tax regimes, laws which affect the Property, exchange controls or political action could impair the value of the Company's investment, and may adversely affect its financial position and the results of its operations. As the Property is located in Thailand, currency fluctuations, exchange controls, restriction on foreign investment, changes to laws which affect the Property, changes to tax regimes or political action could impair the value of the Company's investment, and may adversely affect its financial position and the results of its operations.

The Company may be adversely affected by fluctuations in foreign exchange rates. The Company does not use derivative instruments in order to reduce its exposure to foreign exchange risk but it may be required by financing institutions or may elect to adopt such procedures in conjunction with financing the ultimate construction of the Property if and when it receives the necessary permits. The Company's future capital expenditure and product revenue are largely expected to be denominated in U.S. dollars, while operating expenses are expected to be incurred in Thai baht or U.S. dollars.

The Company is subject to foreign operations risks

The Property is located in Thailand and, accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Thailand. In addition, Thailand is a developing country that has experienced political and economic difficulties over the years. The Company's mineral exploration activities could be affected in varying degrees by such political stability and government regulation relating to foreign investment and the mining business. There have been several proposed revisions to the FBA to eliminate the corporate structure that allows for foreign companies to operate in Thailand. To the best of the Company's knowledge, it currently carries out its operations in accordance with all applicable rules and regulations, however, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development.

Operations may be affected by governmental regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Operations may also be affected in varying degrees by crime, extreme fluctuations in currency rates and high inflation. The Company's ability to conduct future exploration and development activities is subject to changes in government regulations and shifts in political attitudes over which the Company has no control.

Failure to obtain additional financing
In the past, the Company has not had and does not currently have positive cash flow from operations. The Company's available cash has been used and will continue to be used to fund its negative cash flow. No assurance can be given that the Company will ever generate a positive cash flow from operations.

The Company does not currently have the financial resources necessary to undertake all of its currently planned activities. There can be no assurance that the Company will be successful in obtaining any additional required funding necessary to conduct additional exploration, if warranted, on the Company's exploration properties or to develop mineral resources on such properties, if commercially mineable quantities of such resources are located thereon. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interest in such properties.

Exploration and Development
Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. All of the exploration licences and mining leases to which the Company has a right to acquire an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's proposed mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Production
Mineral exploration is highly speculative in nature, involves many risks, and frequently does not lead to the discovery of commercial reserves of minerals. While the rewards can be substantial if commercial reserves of minerals are found, there can be no assurance that the Company's future exploration efforts will be successful, that any production derived therefrom will be obtained or continued, or that any such production which is attempted will be profitable.

Environmental Regulations, Permits and Licenses
The Company's operations will be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation may provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement,

fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to comply fully with all environmental regulations. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various central and local governmental authorities, and such operations may be governed by-laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities may also be subject to substantial regulation under applicable laws by governmental agencies that may require the Company to obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for their operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, may have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Company's knowledge, it is operating in compliance with all applicable rules and regulations.

Lags

The Company is unable to predict the amount of time which may elapse between the date when any new mineral resource may be discovered and the date when production will commence from any such discovery.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company intends to put in place insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

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

Competitive Conditions
The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the exploration of, search for and the acquisition of attractive mineral properties. As a result of this competition, much of which is with corporations with greater financial resources than the Company, there can be no guarantee that the Company will be able to obtain funding for its exploration projects, or to obtain and maintain the necessary resources to carry out such exploration or acquire attractive properties in the future on terms it considers acceptable. Many of the other resource companies that the Company competes with have greater financial resources and/or more advanced properties that may be better able to attract equity investment and other capital. The ability of the Company to acquire attractive mineral properties in the future depends not only on its success in exploring and developing its present properties but also on its ability to select, acquire and bring into production or otherwise deal with suitable properties or prospects for exploration, mining and development. Factors beyond the control of the Company may affect the marketability of any minerals mined or discovered by the Company.

Commodity Prices
Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Company's operations cannot be predicted.

The Company's future profitability and long-term viability will depend, in large part, on the market price of metals. Market prices for metals, including silver, lead and zinc, are volatile and are affected by numerous factors beyond the Company's control, including expectations regarding inflation, global and regional demand, speculative activities, political and economical conditions and production costs in other regions. The aggregate effect of these factors on metal prices is impossible for the Company to predict.
The Company does not have a hedging policy and has no present intention to establish one. Accordingly, the Company has no protection from declines in mineral resource prices.

Management
The success of the Company is currently largely dependent on the performance of its directors and officers. There is no assurance the Company can maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse effect on the Company and its prospects.

Price Volatility of Publicly Traded Securities
In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating

performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

The value of the securities of the Company will be affected by market volatility. There has been no public market for the Company's Common Shares. An active public market for the Common Shares might not develop or be sustained after the listing of the Common Shares.

Conflicts of Interest
Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of applicable corporate law.

Dividends
The Company has not paid any dividends or distributions on its Common Shares since incorporation. The declaration and payment of dividends are subject to the discretion of the Board and depend on, among other things, the Company's financial condition, general business conditions and other factors that the Board may in the future consider to be relevant.

Speculative Nature of the Securities of the Company
The securities of the Company are speculative in nature due to the Company's activities. Mineral exploration is highly speculative and involves material risks. The securities of the Company are more suited to persons who can accept the risks inherent in holding shares of a mineral exploration company. No guarantee can be given that an economical viable deposit will be discovered.

Absence of Public Trading Market
Currently there is no public market for the Common Shares, and there can be no assurance that an active market for the Common Shares will develop or be sustained. If an active public market for the Common Shares does not develop, the liquidity of an investor's investment may be limited and the share price may decline below an investors initial purchase price.

Inability to Enforce Legal Rights in Certain Circumstances
In the event a dispute arises in Thailand or in another foreign jurisdiction, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada. Similarly to the extent that the Company's assets are located outside of Canada, investors may have difficulty collecting from the Company any judgments obtained in the Canadian courts and predicated on the civil liability provisions of securities legislation.

Repatriation of Earnings
Currently, Thailand has no limitation on profit or capital remittances to foreign shareholders provided that all applicable Thailand taxes have been paid. However, there can be no assurance that restrictions on the repatriation of earnings in Thailand will not be imposed in the future.

Officers and Directors of the Company Own Significant Common Shares and Can Exercise Significant Influence
The officers and directors of the Company, as a group, beneficially own, on a non-diluted basis, approximately 4.95% of the outstanding Common Shares of the Company As such, as shareholders, the officers and directors will be able to exert significant influence on matters requiring approval by shareholders, including the election of directors and the approval of any significant corporate transactions. The concentration of ownership may also have the effect of delaying, deterring or

preventing a change in control and may make some transactions more difficult or impossible to complete without the support of these shareholders.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares.

Future exploration and development activities may not be successful

Exploration for and development of mineral properties involve significant financial risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an orebody may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling, constructing mining and processing facilities at a site, connecting to a reliable infrastructure, developing metallurgical processes and extracting silver-lead-zinc from ore. The Company cannot ensure that its current exploration and development programs will result in profitable commercial mining operations. Also, substantial expenses may be incurred on exploration projects that are subsequently abandoned due to poor exploration results or the inability to define reserves that can be mined economically.

The economic feasibility of development projects is based upon many factors, including the accuracy of reserve estimates; metallurgical recoveries; capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental protection. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing.

Nature of Operations

The Company is a junior exploration and development company. The Company will explore on the mineral exploration licences it holds in Thailand, and the Company cannot yet determine whether these properties will contain reserves that are economically recoverable.

Outlook and Funding Requirements

As discussed above, the Company's mineral properties involved are in the exploration or development stage and provide no immediate source of operating cash flow. The Company currently does not have adequate working capital to exercise its second option pursuant to the Amended JVA or to commence any significant exploration and development activities and will be required to raise additional funds to continue operations. There can be no assurance that the Company will be successful in obtaining the required funding necessary to conduct additional exploration, if warranted, or to develop mineral resources on its mineral properties, if commercial quantities of such resources are located thereon.

Forward-Looking Information

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding

the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of the Company to fund the capital and operating expenses necessary to achieve its business objectives, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities.
This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to the Company's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements.

Readers are therefore cautioned that risks, uncertainties and other factors included in this document are not exhaustive, and should refer to the detailed risk factors which are discussed in the Company's non-offering prospectus. Any forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Management's Responsibility
Management is responsible for all information contained in this report. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the consolidated financial statements with management. The Board of Directors has approved the consolidated financial statements on the recommendation of the Audit Committee.

April 30, 2014

(Signed) "Brian Jennings"
Brian Jennings
CEO, CFO