SPARROW VENTURES CORP.

MANAGEMENT’S DISCUSSION AND ANALYSIS
Years ended January 31, 2014 and 2013

Sparrow Ventures Corp. (the "Company") is a natural resource company engaged in the acquisition, exploration and development of mineral properties. The Company currently does not hold any mineral property interests and continues to actively evaluate new potential projects. The Company is listed for trading on the TSX Venture Exchange under the symbol SPW.

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of the Company for the year ended January 31, 2014 and is prepared as of May 27, 2014 in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's audited financial statements for the year ended January 31, 2014, which were prepared in accordance with IFRS.

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

Cautionary Note Regarding Forward-Looking Information

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the timing and implementation of the proposed transaction with Far West, estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides 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. Accordingly, readers should not place undue reliance on forward-looking statements.

Risks and Uncertainties

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Due to the nature of the Company's business and the present stage of exploration of its resource properties (which are primarily early stage exploration properties with no known resources or reserves that have not been explored by modern methods), the following risk factors, among others, will apply:

Mining Industry is Intensely Competitive*:* The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Resource Exploration and Development is Generally a Speculative Business: Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

No Assurance of Profitability*:* The Company has no history of earnings and, due to the nature of its proposed business, there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or, possibly, the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Financial statements have been prepared assuming the Company will continue on a going concern basis*:* The financial statements have been prepared on the basis that it will continue as a going concern. At January 31, 2014, the Company had working capital deficit of $2,756 as compared to working capital of $113,523 as at January 31, 2013. Management has estimated that the Company has adequate funds from existing working capital to meet its obligations for its next fiscal year. If the Company is unable to obtain adequate additional financing, it may be required to curtail operations and exploration activities. Furthermore, failure to continue as a going concern would require that the Company's assets and liabilities be restated on a liquidation basis which would likely differ significantly from their going concern assumption carrying values.

Dependence Upon Others and Key Personnel: The Company is dependent upon the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additionally highly-skilled employees may adversely affect its business and future operations.

Share Price Volatility: In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Financing Risks: The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under any applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Insufficient Financial Resources: The Company does not presently have sufficient financial resources to undertake by itself the exploration and development of all of its planned exploration and development programs. Future property acquisitions and the development of the Company's properties will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing, short or long-term borrowings or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties. In particular, failure by the Company to raise the funding necessary to maintain in good standing its various option agreements could result in the loss of its rights to such properties.

Dilution to the Company's existing shareholders: The Company will require additional equity financing be raised in the future. The Company may issue securities on less than favourable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

Selected Annual Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the audited financial statements of the Company for the years ended January 31, 2013, 2012 and 2011, which have been prepared in accordance with IFRS. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

	Years ended January 31,		
	2014	2013	2012
	$	$	$

Interest income	-	833	2,901
Other income	-	17,321	-
Net loss	116,723	115,142	182,927
Loss per share	0.01	0.01	0.01
Total assets	4,778	128,962	232,657
Total long term liabilities	6,499	13,960	12,731
Cash dividends declared per share for each class of share	Nil	Nil	Nil

Summary of Quarterly Information

Below are selected financial information from continuing operations for the most recent eight quarters (unaudited). The quarter results presented in the table below were prepared in accordance with IFRS.

Quarter ended	Finance Income $	Income (Loss) $	Earnings (Loss) per share $
January 31, 2014	-	(28,209)	(0.003)
October 31, 2013	-	(34,941)	(0.003)
July 31, 2013	-	(27,651)	(0.002)
April 30, 2013	-	(25,922)	(0.002)
January 31, 2013	-	(31,735)	(0.002)
October 31, 2012	-	(28,556)	(0.002)
July 31, 2012	476	(28,833)	(0.002)
April 30, 2012	17,678	(26,018)	(0.002)

There are no general trends regarding the Company's quarterly results. Quarterly results may vary significantly depending mainly on the Company's operations or whether the Company granted any stock options. These factors may account for material variations in the Company's quarterly net losses and are not predictable. The grant of stock options can have a material effect on the quarterly results as it results in share-based compensation charges when they arise.

General and administrative costs tend to be quite similar from period to period, except in certain cases when there is an increase in corporate activities. The variation in income is related solely to the interest earned on funds held by the Company, which is dependent upon the success of the Company in raising the required financing for its activities which will vary with overall market conditions, and is therefore difficult to predict.

Results of Operations

During the year ended January 31, 2014, the Company reported a net loss of $116,723 or $0.01 per share as compared to a net loss of $115,142 or $0.01 per share during the prior fiscal year, representing an increase in loss of $1,581.

During the year ended January 31, 2014, the Company cancelled management fees paid to the CEO of the Company of $1,000 per month effective October 1, 2013. As a result, management fees decreased by $3,800.

During the year ended January 31, 2014, the Company paid consulting fees of $5,250 (2013 - $10,000) related to identification of new assets or businesses.

During the year ended January 31, 2013, the Company recorded share-based payments of $10,218 for stock options vested during the year. No such expense was record for the current period.

Interest and other income decreased by $18,154 due mainly to a recovery of deposit net of expenses of $17,321 related to a terminated business acquisition during the year ended January 31, 2013.

Fourth Quarter

During the fourth quarter, the Company reported a net loss of $28,209 as compared to a net loss of $31,735 during the fourth quarter in the prior fiscal year, representing a decrease in loss of $3,526. The decrease in loss was primarily attributable to decreases in audit fees of $5,700 and legal fees of $250.

Liquidity and Capital Resources

The Company has no revenue generating operations from which it can internally generate funds. The Company has financed its operations and met its capital requirements primarily through the issuance of capital stock by way of private placements and the exercise of share purchase warrants previously issued.

As at January 31, 2014, the Company reported working capital deficit of $2,756 as compared to working capital of $113,523 as at January 31, 2013, representing a decrease in working capital of $116,279. Cash on hand decreased by $122,177 from $124,184 at January 31, 2013 to $2,007 at January 31, 2014. The decrease in cash resulted mainly from cash used for operations of $122,177.

As of the date of this MD&A, financing for the Company's operations is also potentially available through the exercise of vested stock options (See "Summary of Outstanding Share Date"); however, there can be no assurance that any of these outstanding convertible securities will be exercised, particularly if the trading price of the common shares on the TSX Venture Exchange does not exceed, by an material amount and for a reasonable period, the exercise price of such convertible securities at some time prior to their expiry dates.

The Company needs to raise additional capital to fund its anticipated ongoing operations through the next twelve months. Although the Company has previously been successful in raising the funds required for its operations, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

Summary of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares. As at May 27, 2014, there were 13,590,500 shares issued and outstanding.

The following stock options were outstanding as at May 27, 2014:

Number of shares	Exercise price per share	Expiry date	Exercisable
760,000	$0.05	May 26, 2018	760,000
100,000	$0.05	August 31, 2020	100,000
34,000	$0.05	October 7, 2020	34,000
320,000	$0.05	May 27, 2021	320,000
1,214,000			1,214,000

As at May 27, 2014, the Company has 105,000 outstanding charitable options exercisable at $0.10 which expire on May 26, 2018.

Transaction with Related Parties

During the nine months ended October 31, 2013, the Company has entered into certain transactions with related parties. These transactions are in the normal course of business operations and are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

A description of the related party transactions is as follows:

Name and Relationship to Company	Transaction	Three months ended January,		Year ended January 31,	
		2014 $	2013 $	2014 $	2013 $
Marc Morin, Director, President & CEO	Management fees	200	3,000	8,200	12,000
Avarone Metals Inc. (formerly Remstar Resources Ltd.), a company with a common director and a common officer	Office, rent and administration [1]	18,405	6,700	68,405	37,200
Ultra Lithium Inc., a company with common directors and officers	Rent [2]	-	4,300	6,000	16,000
Mosam Ventures Inc., a company controlled by a director of the Company	Consulting	-	-	-	10,000
Max Pinsky Personal Law Corporation, a company with a common officer	Legal fees	352	275	352	604

(1) The Company entered into a month-to-month arrangement for the rental of office premises and the provision of accounting, financial reporting and administrative services with Avarone Metals Inc., a public company related by a common director and a common officer. Of the fees paid to Avarone Metals Inc., $23,500 (2013 - $15,300) was allocated to the services of the CFO of the Company.

(2) The Company entered into a month-to-month arrangement for the rental of office premises with Ultra Lithium Inc., a public company related by a common director and a common officer.

Included in prepaid expenses is a rent deposit of $1,500 (2013 – $1,500) paid to a company having a director and an officer in common.

Included in accounts payable and accrued liabilities was the amount of $nil (2013 - $275) paid to companies controlled by directors and an office of the Company.

Critical Accounting Estimates

In the application of the Company's accounting policies which are described in Note 2 of the Company's annual financial statements as at and for the year ended January 31, 2014, management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements relate to share based compensation and deferred tax assets.

Accounting Standards Issued But Not Yet Effective

The following IFRS standards have been recently issued by the IASB or the IFRIC. The Company is assessing the impact of these new standards, but does not expect them to have a significant effect on the financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

IFRS 9, Financial Instruments

The IASB has issued a new standard, IFRS 9, "Financial Instruments" ("IFRS 9"), which will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 will replace the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The new standard also requires a single impairment method to be used, provides additional guidance on the classification and measurement of financial liabilities, and provides a new general hedge accounting standard.

The mandatory effective date has tentatively been set for January 1, 2018, however early adoption of the new standard is permitted. The Company currently does not intend to early adopt IFRS 9. The adoption of IFRS 9 is currently not expected to have a material impact on the financial statements as the classification and measurement of the Company's financial instruments is not expected to change given of the nature of the Company's operations and the types of financial instruments that it currently holds.

Financial Instruments and Other Instruments

(a) Fair value of financial instruments

The Company's financial instruments consist of cash and cash equivalents, interest receivable and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair values because of their short term nature and/or the existence of market related interest rates on the instruments. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Cash and cash equivalents and interest receivable are classified as loans and receivables and are carried at their amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are carried at their amortized cost.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of hierarchy are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and
Level 3 Inputs for the asset or liability that are not based on observable market data.

The Company has no financial instrument assets or liabilities recorded in the statements of financial position at fair value at January 31, 2014 and 2013.

(b) Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

(i) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balances at the bank, its short-term bank Guaranteed Investment Certificates ("GICs"), and interest receivable. Cash and cash equivalents consisting of GICs have been invested with Schedule 1 banks or equivalents, with its cash held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. The Company manages liquidity risk through the management of its capital structure, as outlined in Note 10(c) of the Company's financial statements for the year ended January 31, 2014. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due.

The Company is dependent on the availability of credit from its suppliers and its ability to generate sufficient funds from equity and debt financing to meet current and future obligations. There can be no assurance that such financing will be available on terms acceptable to the Company. See note 1 to the Company's financial statements for the year ended January 31, 2014 for a full disclosure on liquidity.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's cash attracts interest at floating rates and have maturities of 90 days or less. The Company's short-term investments are invested in GICs with greater than 90 day terms but not greater than one year. These GICs have a fixed interest rate for the term of the deposit. The interest on cash and GICs is typical of Canadian banking rates, which are low at present and the conservative investment strategy mitigates the risk of deterioration to the investment. A change of 100 basis points in the interest rates would not be material to the financial statements.

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders.

The Company has no debt and is not subject to externally imposed capital requirements.

The Company's historical sources of capital have consisted of the sale of equity securities and interest income. In order for the Company to acquire mineral properties and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

There were no changes in the Company's management of capital during the year ended January 31, 2014.

CORPORATE OUTLOOK

The Company continues to actively identify and evaluate assets and businesses through discussions with various business associates, contacts of the directors and officers and other parties, with a view to completing an acquisition of a business or assets. To carry out this activity and to fund immediate general corporate requirements, the Company is seeking additional financing through related party loans and equity financing. However, there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required, or if available, that it can be obtained in terms satisfactory to the Company. See "*Risks and Uncertainties*" above.

Additional Information

Additional information relating to Sparrow Ventures Corp. can be accessed under the Company's public filings found at www.sedar.com.