FORM 51-102F1

DECLAN RESOURCES INC.
MANAGEMENT'S DISCUSSION & ANALYSIS

August 27, 2014

The following Management's Discussion & Analysis ("MD&A") provides a review of activities, results of operations and financial condition of Declan Resources Inc. ("the Company') for the nine months ended June 30, 2014 in comparison with those for the nine months ended June 30, 2013. The condensed unaudited interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial statements and, as a result, do not contain all disclosure required under IFRS for annual financial statements. The following discussion and analysis should be read in conjunction with the Company's annual audited consolidated financial statements for the years ended September 30, 2013 and September 30, 2012 which were prepared in accordance with IFRS. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Risks and Uncertainties

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The recovery of the Company's investment in exploration and evaluation assets and the attainment of profitable operations are dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production.

b) The most likely source of future funds for further acquisitions and exploration programs undertaken by the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another interested party carrying out further exploration or development. If such exploration programs are successful, the development of economic ore bodies and commencement of commercial production may require future equity financings by the Company which are likely to result in substantial dilution to the holdings of existing shareholders.

c) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

d) The prices of metals greatly affect the value of and the potential value of its exploration and evaluation assets. This, in turn greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.

e) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.

f) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue exploration and development activities in the future.

g) Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such assets may be subject to prior agreements or transfers and title may be affected by such undetected defects.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward looking statement. The development and exploration activities of the Company are subject to various laws governing exploration, development, and labour standards which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are, or were conducted.

Management's Responsibility for Financial Statements

The Company's management is responsible for the presentation and preparation of interim consolidated financial statements and the MD&A. The interim consolidated financial statements have been prepared in accordance with IFRS. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Overview

The Company is a public company incorporated on August 25, 2005, under the laws of British Columbia, Canada. The Company is a reporting issuer in British Columbia and its common shares are listed and posted for trading on the TSX Venture Exchange under the trading symbol "LAN". The Company's offices are located at 302 – 1620 West 8th Avenue, Vancouver, B.C., V6J 1V4.

The Company is a natural resource company engaged in the acquisition and exploration and development of resource properties with a focus on the development of its exploration and evaluation asset interests in Canada and the U.S.A., while it continues to evaluate new business opportunities.

Patterson Lake Property, Saskatchewan, Canada

On September 9, 2013, the Company signed a property option agreement, with 101227264 Saskatchewan Ltd. and Donnybrook Capital Corp., to acquire a 100% interest in two uranium exploration properties in the Patterson Lake area of the Athabasca Basin located in Saskatchewan, Canada ("Patterson Lake Property"). The Patterson Lake Property is believed to be on a southwest-northeast structural trend as interpreted from airborne magnetics that covers the PLS Discovery. This structural trend also covers the Rook 1 property owned by NexGen Energy Ltd. ("NexGen"). NexGen has commenced a two-drill, 3,000-metre program immediately adjacent to and on trend northeast from Fission/Alpha's recent high-grade uranium discoveries on their PLS project. The Company is compiling available geological data and will commence an exploration program as soon as practical.

To acquire the property, the Company must make cash payments totaling $250,000 ($185,000 has been recorded to date) by September 17, 2014, issue 4,000,000 common shares (issued) and incur $650,000 in exploration expenditures on the property on or before August 31, 2016. 734,211 common shares were issued as a finder's fee.

As at June 30, 2014, the Company had capitalized costs of $548,780 (September 30, 2013 - $483,780) on the Patterson Lake Property. For the nine months ended June 30, 2014, the Company incurred $5,232 (nine months ended June 30, 2013 - $Nil) of exploration and evaluation expenditures.

The acquisition of the Patterson Lake Property marks the commencement of a move by the Company into uranium exploration in the Athabasca Basin. The Company will continue to review potential additional property acquisitions and is committed to the exploration for uranium in Saskatchewan and Alberta.

Firebag River Property, Alberta, Canada

On October 24, 2013, the Company signed a property option agreement, with 877384 Alberta Ltd., to acquire a 100% interest in the Firebag River Property located southwest of the Athabasca Basin in Alberta, Canada. The Company considers the property to be significantly prospective and underexplored. It is situated southwest of the Athabasca Basin and consists of six metallic and industrial minerals permits encompassing approximately 50,000 ha. It is west of Alpha Minerals recently discovered Patterson Lake South (PLS) uranium occurrence, and about 30 km south of the southernmost mapped margin of the basin.

<u>Overview</u> (cont'd…)

Firebag River Property, Alberta, Canada (cont'd…)

An initial review of the Firebag River Property in November, by Dahrouge Geological Consulting Ltd. ("Dahrouge") has shown encouraging values for high-quality frac sand from samples collected in Cretaceous sandstones of the McMurray Formation.

In February 2014, analysis of historical drill core and cuttings was performed at the ERCB lab in Calgary. This revealed the continuity of high grade frac sand at, or near, surface in regions throughout the property. To date, 1500m of core along with 2000m of core cutting have been analyzed with additional holes still available for review. Data from the first visit revealed high silica content in and around the perceived deposit and further delineated the Company's target of interest. With this analysis, the Company will now turn to the final stage of Frac Sand testing of the samples that were submitted to Lorring Laboratories Ltd. in Calgary by Dahrouge in December 2013. Samples will go through a crush test, after which, all results will be released to the public.

To acquire the property, the Company made cash payments of $85,000, must issue 5,000,000 common shares (1,500,000 have been issued) on or before November 5, 2015 and incur $3,000,000 in exploration expenditures on the property on or before November 5, 2016. 626,250 common shares were issued as a finder's fee and an additional 112,500 must be issued by the first anniversary. The Optionor retained a 2% Net Smelter Royalty ("NSR") on metals and a 4% Gross Overriding Royalty with respect to other, non-metallic commodities which are produced from the Firebag Property.

As at June 30, 2014, the Company had capitalized costs of $290,871 (September 30, 2013 - $1,807) on the Firebag River Property. For the nine months ended June 30, 2014, the Company incurred $60,666 (nine months ended June 30, 2013 - $Nil) of exploration and evaluation expenditures.

Gibbon's Creek Property, Saskatchewan, Canada

On December 2, 2013, the Company signed a property option agreement, with Lakeland Resources Inc. ("Lakeland"), to acquire a 70% interest in the Gibbon's Creek Property located on the northern rim of the Athabasca Basin in Saskatchewan, Canada. Gibbon's Creek is comprised of five contiguous claims totaling 12,771 hectares located less than 3 kilometers from the settlement of Stony Rapids and adjacent to the Black Lake Project held jointly by Uracan Resources Ltd. and UEX Corporation. Additional information on the Athabasca Basin region can be found in the December 4, 2013 news release. Lakeland recently commenced an initial field program at Gibbon's Creek.

The Company and Lakeland are planning to mobilize a field crew to confirm the historic electromagnetic (EM) geophysics over the property by conducting a modern Moving Loop Time Domain Electromagnetic ground survey in advance of an anticipated 2,500 metre, phase one, drill campaign. The drill campaign is anticipated to consist of up to 15 drill holes and will start as soon as practical after seasonal break-up conditions. Lakeland is in receipt of permits that allow the JV to drill up to 52 drill holes on the Property. Lakeland developed several drill targets at Gibbon's Creek based on a 2013 fall exploration including a land-based RadonEX™ survey, a boulder prospecting survey and a DC-Resistivity survey. This exploration resulted in the discovery of highly significant radon values, the confirmation of high-grade boulders of up to 4.28% U_3O_8 and the definition of an east-west resistivity low, interpreted as an alteration corridor.

To acquire the property, the Company must make cash payments of $1,500,000 ($100,000 paid) by January 8, 2017, issue 11,000,000 common shares (2,000,000 issued) by January 8, 2017, and incur an aggregate of $6,500,000 in work commitments by January 8, 2018. The property is subject to a 2% NSR of which the Company may repurchase 1% for $1,000,000. 317,647 common shares were issued as a finder's fee.

Overview (cont'd…)

Gibbon's Creek Property, Saskatchewan, Canada (cont'd…)

On January 17, 2014, the Company entered into a property option agreement, named the North Star property, to acquire additional interests in the Gibbon's Creek region. The Company acquired a 100% interest in two mineral claims comprising approximately 11,100 hectares located along the northern margin of the Athabasca Basin in Saskatchewan and north of Declan's Gibbons Creek joint venture with Lakeland, in Saskatchewan, Canada. The North Star Property is underlain by a complex magnetic background and is believed to contain the northerly extensions of a number of important regional structures associated with uranium projects in the area.

To acquire this additional property, the Company made cash payments of $15,000 and issued 1,500,000 common shares. 162,500 common shares were issued as a finder's fee. The property is subject to a 2% NSR.

As at June 30, 2014, the Company had capitalized costs of $598,457 (September 30, 2013 - $Nil) on the Gibbon's Creek Property. For the nine months ended June 30, 2014, the Company incurred $58,797 (nine months ended June 30, 2013 - $Nil) of exploration and evaluation expenditures.

Six Pack Properties

On March 31, 2014, the Company entered into a property option agreement to acquire a 100% interest in the Six Pack Properties located in Alberta and Saskatchewan, Canada. The six properties encompass a total of approximately 250,000 acres and are all located within or proximal to the Athabasca Basin, which is host to some of the world's largest and richest, high-grade uranium deposits. The Company considers the properties to be significantly prospective and underexplored.

To acquire the Jackfish Creek, Maurice Creek, Maybelle River (which includes the Richardson River property), and Thorburn Lake properties, the Company must make cash payments of $100,000 ($75,000 has been recorded to date), issued 1,500,000 common shares and complete an exploration work commitment of $200,000. To acquire the Archer Lake property, the Company made cash payments of $25,000, issued 1,000,000 common shares and must complete an exploration work commitment of $25,000. 340,909 common shares were issued as a finder's fee.

The Property is subject to a 3% NSR of which the Company may repurchase 1% for $1,000,000.

As at June 30, 2014, the Company had capitalized any costs of $44,827 (September 30, 2013 - $Nil) on each of the Jackfish Creek, Maurice Creek, and Thorburn Lake properties, had capitalized any costs of $89,654 (September 30, 2013 - $Nil) on the Maybelle River property and had capitalized any costs of $107,327 (September 30, 2013 - $Nil) on the Archer Lake property. For the nine months ended June 30, 2014, the Company incurred $179,512 (nine months ended June 30, 2013 - $Nil) of exploration and evaluation expenditures on the Maybelle River property and has not yet incurred exploration and evaluation expenditures on the other properties in the group.

Other

On April 23, 2014, the Company entered into a property option agreement to acquire a 100% interest in the Copper Mountain Property located in Wyoming, U.S.A. and in four properties in the Athabasca Basin located in Saskatchewan, Canada. One of the parties to this agreement is a director. To acquire the properties, the Company must issue 11,000,000 common shares. The Copper Mountain property is subject to a 2% NSR. This transaction is subject to TSX-V approval.

<u>Overview</u> (cont'd…)

Other (cont'd…)

As at June 30, 2014, the Company had capitalized costs of $13,156 (September 30, 2013 - $Nil) on the property. For the nine months ended June 30, 2014, the Company incurred $2,743 (nine months ended June 30, 2013 - $Nil) of exploration and evaluation expenditures.

Sierra Leone Property

On July 12, 2012, the Company purchased 100% of the shares of Talos Minerals Ltd. ("Talos"), a closely held private B.C. corporation. The Company issued 24,470,002 common shares in a share for share exchange with Talos. The Company also issued 1,500,000 stock options as part of the acquisition; each option entitles the holder to purchase one common share for $0.15 per share. Talos' principal assets are mineral exploration licenses in the Kono and Bo districts of Sierra Leone. The licenses are held by its two 85% owned Sierra Leone subsidiaries, Greenstone Minerals (SL) Limited ("Greenstone") and Revonah Resources (SL) Limited ("Revonah"). The remaining 15% of Greenstone and Revonah is held equally by Mr. Jamal Shallop and Mr. Craig McLean, both residents of Sierra Leone.

During the nine month period ended June 30, 2014, management decided to discontinue exploration on the property and the Company recorded a write-off of $2,483,944.

<u>Overall Performance and Discussion of Operations – Three Months Ended June 30, 2014</u>

Operating Expenses

During the three months ended June 30, 2014, the Company incurred a net loss of $3,327,007 from operations compared to a net loss of $1,097,492 for the three months ended June 30, 2013. Operating expenses for the three months ended June 30, 2014 were $843,126, compared to $1,093,963 for the three months ended June 30, 2013.

The expenses are itemized in the Condensed Interim Consolidated Statements of Loss and Comprehensive Loss in the Company's unaudited Financial Statements for the three months ended June 30, 2014 and 2013.

Operating expenses for the three months ended June 30, 2014 were $843,126 compared to $1,093,963 for the three months ended June 30, 2013; an overall decrease of $250,837. The major contributors to this change are:

1. Exploration and evaluation expenditures were $464,973 for the three months ended June 30, 2014 compared to $862,228 for the three months ended June 30, 2013. The decrease is due to decreased exploration activity in Sierra Leone; however, this is offset by the commencement of activity in Canada.

2. Finance fees were $37,783 for the three months ended June 30, 2014 compared to $Nil for the three months ended June 30, 2013. The increase is a result of a short-term loan advanced in July 2013.

3. Share-based compensation was $91,229 for the three months ended June 30, 2014 compared to $Nil for the three months ended June 30, 2013. The increase is due to the vesting of recently issued stock options.

Overall Performance and Discussion of Operations – Three Months Ended June 30, 2014 (cont'd…)

Operating Expenses (cont'd…)

4. Management fees were $48,373 for the three months ended June 30, 2014 compared to $23,824 for the three months ended June 30, 2013. The increase is due to the Company bringing a new C.E.O on board.

5. Investor relations were $36,401 for the three months ended June 30, 2014 compared to $3,494 for the three months ended June 30, 2013. The increase is due to the Company working to promote its expansion to exploring potential projects in Canada.

Other

During the three month period ended June 30, 2014, management decided to discontinue exploration on the Sierra Leone property and the Company recorded a write-off of $2,483,944. There were no property write offs in the comparable prior period.

Overall Performance and Discussion of Operations – Nine Months Ended June 30, 2014

Operating Expenses

During the nine months ended June 30, 2014, the Company incurred a net loss of $4,809,358 from operations compared to a net loss of $3,670,659 for the nine months ended June 30, 2013. Operating expenses for the nine months ended June 30, 2014 were $2,325,658, compared to $3,687,335 for the nine months ended June 30, 2013.

The expenses are itemized in the Condensed Interim Consolidated Statements of Loss and Comprehensive Loss in the Company's unaudited Financial Statements for the nine months ended June 30, 2014 and 2013.

Operating expenses for the nine months ended June 30, 2014 were $2,325,658 compared to $3,687,335 for the nine months ended June 30, 2013; an overall decrease of $1,361,677. The major contributors to this change are:

1. Exploration and evaluation expenditures were $854,888 for the nine months ended June 30, 2014 compared to $2,795,955 for the nine months ended June 30, 2013. The decrease is due to decreased exploration activity in Sierra Leone; however, this is offset by the commencement of activity in Canada.

2. Finance fees were $113,348 for the nine months ended June 30, 2014 compared to $Nil for the nine months ended June 30, 2013. The increase is a result of a short-term loan advanced in July 2013.

3. Travel was $183,509 for the nine months ended June 30, 2014 compared to $271,986 for the nine months ended June 30, 2013. The prior period had a significant amount of management travel to Sierra Leone.

5. Share-based compensation was $545,677 for the nine months ended June 30, 2014 compared to $114,542 for the nine months ended June 30, 2013. The increase is due to stock options issued in the current period.

Overall Performance and Discussion of Operations – Nine Months Ended June 30, 2014 (cont'd…)

Operating Expenses (cont'd…)

6. Investor relations were $330,059 for the nine months ended June 30, 2014 compared to $14,971 for the nine months ended June 30, 2013. The increase is due to the Company working to promote its expansion to exploring potential projects in Canada.

7. Professional fees were $64,268 for the nine months ended June 30, 2014 compared to $166,862 for the nine months ended June 30, 2013. The decrease is due to the Company working to reduce its costs and less activity.

Selected Annual Information

The following table sets out selected annual financial information for the three most recent financial years. The financial data has been prepared in accordance with IFRS:

Years Ended	September 30, 2013	September 30, 2012	September 30, 2011
Total Revenue	$ Nil	$ Nil	$ Nil
Operating Loss - per share[1]	($4,283,377) ($0.04)	($2,147,779) ($0.02)	($1,962,864) ($0.07)
Loss and Comprehensive Loss - per share[1]	($4,265,929) ($0.04)	($3,511,691) ($0.04)	($2,882,028) ($0.10)
Total Assets	$3,316,836	$6,460,968	$335,566
Total Long-Term Financial Liabilities	$Nil	$Nil	$Nil
Cash Dividends Declared - per common share	$ Nil	$ Nil	$ Nil

Note:
1. Fully diluted earnings (loss) per share was not calculated as the effect was anti-dilutive.

Summary of Quarterly Results

The following table sets out selected unaudited financial information for the eight most recent quarters. The financial data has been prepared in accordance with IFRS.

Three Months Ended	June 30, 2013	March 31, 2014	December 31, 2013	September 30, 2013
Total Revenue	$Nil	$Nil	$Nil	$Nil
Operating Loss - per share[1]	($843,126) ($0.01)	($695,416) ($0.01)	($787,116) ($0.01)	($595,604) ($0.01)
Loss and Comprehensive Loss - per share[1]	($3,327,007) ($0.02)	($695,299) ($0.01)	($787,052) ($0.01)	($595,270) ($0.01)

Summary of Quarterly Results (cont'd…)

Three Months Ended	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012
Total Revenue	$Nil	$Nil	$Nil	$Nil
Operating Loss - per share[(1)]	($1,094,401) ($0.01)	($1,514,612) ($0.01)	($1,078,760) ($0.01)	($1,144,729) ($0.01)
Loss and Comprehensive Loss - per share[(1)]	($1,097,492) ($0.01)	($1,503,309) ($0.01)	($1,069,858) ($0.01)	($2,520,687) ($0.03)

Note:
1. Fully diluted earnings (loss) per share was not calculated as the effect was anti-dilutive.

Liquidity and Capital Resources

The Company's cash position was $30,756 as at June 30, 2014, compared to $48,824, as at September 30, 2013 and $144,225 as at June 30, 2013. The Company had a working capital deficit of $1,630,066 as at June 30, 2014 compared to a working capital deficit of $784,849 as at September 30, 2013 and working capital deficit of $316,793 as at June 30, 2013. The decrease in the Company's cash position and working capital was a direct result of operating activities and the acquisition of additional exploration and evaluation assets.

Financing activities

In the nine months ended June 30, 2014, the Company issued 15,000,000 units for total proceeds of $750,000. Each unit consisted of one common share of the Company and one share purchase warrant having a one year term for purchasing of one further common share at exercise price of $0.10 per share. Agents' fees paid totaled $49,525. The Company issued 2,360,000 common shares for total proceeds of $236,000 pursuant to the exercise of warrants.

In the nine months ended June 30, 2013, the Company had no financing activity.

Off-Balance Sheet Arrangements

The Company is not a party to any off-balance sheet arrangements or transactions.

Transactions with Related Parties

The following is a summary of transactions with related parties during the nine months ended June 30, 2014:

1. Paid or accrued management fees of $Nil (June 30, 2013 - $54,000) to Carsonby Enterprises Inc., a company controlled by Michelle Gahagan, a director of the Company.

2. Paid or accrued management fees of $6,000 (June 30, 2013 - $Nil) to Galloway Financial Services Inc., a company controlled by Wayne Tisdale, a director of the Company.

3. Paid or accrued accounting fees of $41,000 (June 30, 2013 - $Nil) to Lesia Burianyk, CFO of the Company.

Transactions with Related Parties (cont'd…)

4. Paid or accrued accounting fees of $Nil (June 30, 2013 - $42,000) to J W Jardine & Company Ltd. a company controlled by John Jardine, former CFO of the Company.

5. Paid or accrued interest of $13,463 (June 30, 2013 - $Nil) to Galloway Financial Services Inc.

6. Paid or accrued interest of $13,463 (June 30, 2013 - $Nil) to Gordon King, a director of the Company.

7. Paid or accrued consulting fees of $16,389 (June 30, 2013 - $134,800) to McLean CA&CP, a company controlled by Craig McLean, a director of the Company.

8. Paid or accrued management consulting fees of $45,000 (June 30, 2013 - $45,000) to Tyson King, a director of Talos Minerals Ltd.

9. Paid or accrued management consulting fees of $44,498 (June 30, 2013 - $Nil) to Miller and Associates, LLC, a company controlled by David Miller, a director of the Company.

10. Paid or accrued consulting fees of $44,560 (June 30, 2013 - $10,874) to Starbay Resources Ltd., a company controlled by James Newall, a director of the Company.

11. Paid or accrued consulting fees of $216,060 (June 30, 2013 - $Nil) to Jamal Shallop, a director of Revonah and Greenstone.

12. Paid or accrued accounting fees of $Nil (June 30, 2013 - $10,000) to Buckley Dodds Parker LLP, a company in which John Parker, former CFO of the Company, is a partner.

13. Recorded share-based compensation of $279,011 (June 30, 2013 - $85,790) to related parties.

As at June 30, 2014, exploration advances consisted of $Nil (September 30, 2013 - $205,982) for funds advanced to a director of Revonah and Greenstone.

As at June 30, 2014 accounts payable and accrued liabilities included $748,845 (September 30, 2013 - $449,549) owing to related parties.

In July 2013, the Company received an aggregate amount of $300,000 in short-term loans from a company owned by Wayne Tisdale and Gordon King. These amounts bear interest at 12% per annum and are included in notes payable as at June 30, 2014 and September 30, 2013.

In June 2012, the Company received an aggregate amount of $400,000 in short-term loans from Galloway Financial Services Inc. and Gordon King. These amounts are included above in accounts payable and accrued liabilities as at June 30, 2014 and September 30, 2013.

In the nine months ended June 30, 2014, the Company received an aggregate amount of $210,000 in short-term loans from Galloway Financial Services Inc. These amounts are included above in accounts payable and accrued liabilities as at June 30, 2014

Proposed Transactions

The Company does not have any current proposed asset or business acquisitions or dispositions; however, the Company continues to seek new business opportunities and to raise capital.

Subsequent Events

Subsequent to June 30, 2014, the Company:

i) entered into a property option agreement to acquire a 100% interest in the Davidson River Property located in Alberta and Saskatchewan, Canada. To acquire the properties, the Company must make cash payments of $300,000, issue 7,500,000 common shares and complete an exploration work commitment of $1,500,000. The property is subject to a 2.5% gross overriding royalty of which the Company may repurchase 1% for $1,500,000 until July 28, 2019.

ii) issued 28,571,445 units pursuant to a non-brokered private placement for total proceeds of $2,000,000. Each unit consisted of one common share and one share purchase warrant; each warrant entitles the holder to purchase one common share at a price of $0.11 per share for a two year period. Agents were paid fees of $39,320 and issued 505,133 warrants; each warrant entitles the holder to purchase one common share at a price of $0.11 per share for a two year period.

iii) engaged Palisade Capital Corp. of London, United Kingdom as a marketing and investor relations consultant for a 10 month period at a cost of $100,000.

Significant Accounting Policies

New accounting policies adopted

The following standards and amendments to existing standards have been adopted by the Company effective October 1, 2013:

IFRS 10, Consolidated Financial Statements

This standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This standard:

i) requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements;
ii) defines the principle of control, and establishes control as the basis for consolidation;
iii) sets out how to apply the principle of control to identify whether an investor controls and investee and therefore must consolidate the investee; and
iv) sets out the accounting requirements for the preparation of consolidated financial statements. IFRS 10 supersedes IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation-Special Purpose Entities.

IFRS 11, Joint Arrangements

This standard establishes the core principle that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement.

IFRS 12, Disclosure of Involvement with Other Entities

This standard requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effect of those interests on its financial position, financial performance and cash flows.

Significant Accounting Policies (cont'd…)

New accounting policies adopted (cont'd…)

IFRS 13, Fair Value Measurement

This standard defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosure about fair value measurements. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less cost to sell, based on fair value or disclosures about those measurements), except for: share-based payment transactions within the scope of IFRS 2 Share-based payment; leasing transactions within the scope of IAS 17 Leases; measurements that have some similarities to fair value but that are not fair value, such as net realizable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

IAS 27, Separate Financial Statements

This standard has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements.

IAS 28, Investments in Associates and Joint Ventures

This standard prescribes the accounting for investment in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture).

IAS 32, Financial instruments: presentation

The amendments to this standard focused on four main areas:

i) the meaning of "currently has a legally enforceable right of set-off";
ii) the application of simultaneous realization and settlement;
iii) the offsetting of collateral amount; and
iv) the unit of account for applying the offsetting requirements.

The adoption of these standards did not have an impact on the condensed interim consolidated financial statements.

New standards, amendments and interpretations to existing standards not yet effective

The following standards, amendments to standards and interpretations have been issued but are not effective:

IFRS 9, Financial instruments

This standard was issued in November 2009 and covers the classification and measurement of financial assets as part of its project to replace IAS 39 Financial Instruments: Recognition and Measurement. In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entitles would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is tentatively applicable for periods beginning on or after January 1, 2018.

The Company has not yet assessed the potential impact of the application of this standard, nor determined whether it will adopt this standard early.

Financial Instruments and Risk Management

Financial risk management

Financial instruments measured at fair value are classified into one of 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 the fair value 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 that are not based on observable market data.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and notes payable.

The Company classified its cash as fair value through profit or loss; receivables as loans and receivables; and accounts payable and accrued liabilities and notes payable as other financial liabilities. The fair value of cash is measured on the statement of financial position using level 1 of the fair value hierarchy. The fair values of receivables, accounts payable and accrued liabilities and notes payable approximate their book values because of the short-term nature of these instruments.

Financial instrument risk exposure

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

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company has no material counterparties to its financial instruments with the exception of the financial institutions which hold its cash. The Company manages this credit risk by ensuring that these financial assets are placed with a major financial institution with strong investment grade ratings by a primary ratings agency. The Company's receivables consist primarily of goods and services tax due from the government; the balance is in good standing as at June 30, 2014. The Company does not believe it has a material exposure to credit risk.

Liquidity risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand. The Company has significant financial liabilities outstanding including accounts payable and accrued liabilities and loans payable. The Company is exposed to the risk that it may not have sufficient liquid assets to meet its commitments associated with these financial liabilities. To the extent that the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through equity transactions.

Interest rate risk

The Company is exposed to interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. Interest rate risk is minimal as the Company does not have significant interest bearing assets or any interest bearing liabilities that are tied into market rates.

Financial Instruments and Risk Management (cont'd…)

Foreign exchange risk

The Company expects to continue to raise equity predominantly in Canadian dollars. The Company does not enter into derivative financial instruments to mitigate its exposure to foreign currency risk. The effect of a 1% change in the foreign exchange rate on the Company's cash held in foreign currencies and trade and other payables is nominal.

Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Political uncertainty

In conducting operations in other countries, the Company is subject to considerations and risks not typically associated with companies operating in North America. These include risks such as the political, economic and legal environments. Among other things, the Company's results may be adversely affected by changes in the political and social conditions, and by changes in governmental policies with respect to mining laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation.

Management of Capital

The Company manages its common shares, stock options and share purchase warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk. The Company is not subject to any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury invested in certificates of deposit with major financial institutions.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management of Capital (cont'd…)

There have been no changes to the Company's approach to capital management during the nine months ended June 30, 2014.

Disclosure of Outstanding Share Data

The authorized capital of the Company consists of an unlimited number of common shares without par value.

Shares Issued and Outstanding:

As at the effective date of this MD&A, there were 170,366,638 common shares issued and outstanding.

Warrants:

As at the effective date of this MD&A, the Company had 49,008,886 share purchase warrants outstanding.

Stock options:

As at the effective date of this MD&A, the Company had 11,100,000 stock options outstanding of which 7,566,667 were fully vested and exercisable.

Additional Information

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com.

Directors and Officers

The Company's directors and officers as at the effective date of this MD&A are:

Directors:

David Miller
Michelle Gahagan
Wayne Tisdale
Dr. Hikmet Akin
Gordon King
James Newall
Craig McLean

Officers:

David Miller, President and CEO
Lesia Burianyk, CFO
Leah Martin, Corporate Secretary