MANAGEMENT DISCUSSION AND ANALYSIS

FOR

FIRE RIVER GOLD CORP.

FOR THE QUARTER ENDED 30 APRIL 2013 - UNAUDITED

The following discussion and analysis is Management's assessment of the results and financial condition of Fire River Gold Corp. (the "Company" or "FAU") for the quarter ended 30 April 2013 and should be read in conjunction with the unaudited, second quarter consolidated financial statements and the related notes. The date of this Management Discussion and Analysis is 27 June 2013.

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

FORWARD LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

BUSINESS OF FIRE RIVER GOLD CORP.

Fire River Gold Corp. is a pre-commercial production company with an experienced technical team focused on bringing its Nixon Fork underground gold mine back into commercial production. The Nixon Fork Gold Mine is a fully permitted and bonded gold mine located 240 miles northwest of Anchorage, Alaska, United States. Production facilities at the Nixon Fork Gold Mine include a 250 tonne per day carbon-in-leach circuit, a sulphide concentration circuit and a gravity recovery circuit. The mine also includes a fleet of mining vehicles, a self-contained diesel power plant, maintenance facilities, drilling equipment, an 85 person camp, office facilities and a 1.2 kilometre long landing strip.

GOING CONCERN

The Company's Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assume 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. The Company had cash and cash equivalents of $157,762 as at 30 April 2013 (31 Oct 2012: $988,989), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. The Company's solvency, ability to meet its liabilities as they become due and to continue its operations is essentially solely dependent on funding provided by Waterton Global Value, L. P. ("Waterton"). As of 28 June 2013, Waterton has informed the Company that it will no longer fund ongoing operations and the Company has commenced moving the Nixon Fork Gold Mine to a care and maintenance status. The Company is taking this action until a revised operating plan has been developed and market conditions improve. In the interim, the Board will run a strategic process and consider and evaluate all options with respect to the Nixon Fork property. These consolidated financial statements do not include any adjustments to costs for this change in operational status.

MANAGEMENT CHANGE

Ken Stowe, the chairman of the Board of Directors, resigned effective 25 March 2013.

PROPERTIES

NIXON FORK GOLD MINE OPERATIONS REVIEW

The Nixon Fork Mine, which the Company has been developing since June 2011, continues to produce at pre-commercial levels. Mining data for the quarter was as follows:

Mine Production for the Quarter ended 30 April 2013

Month	Tonnes Mined	Tonnes Milled	Gold Sold (ozs)
Feb	5,066	4,784	1,011
Mar	4,586	3,801	1,392
Apr	3,008	4,352	1,024
Total	12,660	12,937	3,427

Work continued on the second Larox unit during the quarter. Efforts are being made to bring this unit as compatible as possible with the existing unit so the support/supply equipment can be utilized for both filters.

On an on-going full production basis, it is still envisioned that the recoverable gold distribution between both streams will be approximately 55% in dore form from the gravity and CIL circuits and 45% in the form of concentrate from the sulphide flotation circuit. The dore produced from the gravity and CIL circuits is processed at the Johnson Matthey facility in Brampton, Ontario, Canada and the out-turned gold and silver is purchased by Waterton Global Value L.P. The concentrate produced from the sulphide flotation circuit is sold to Glencore Ltd.

The Mystery Mine contributed 83% of the mined tonnes for the quarter.

Exploration drilling of 2,868 meters was completed during the quarter all in the Mystery Mine.

Work on the mine plan of operations continues, which will be submitted for review to both the State of Alaska and the US Bureau of Land Management in the summer of 2013. The as-built drawings of the mill are in progress with Knight Piesold and Darling Geomatics. Enviroscientists, an environmental and permitting consulting company headquartered in Reno, Nevada, has been contracted to supervise the preparation of the document and has completed their initial assessment.

The resource estimate for the Nixon Fork Mine remains the 2011 estimate as follows:

2011 Resource Estimate for the Nixon Fork Mine (at 10 g/t Au, Giroux)
Geologic Report NF-12-1 dated 3 February 2012, Technical Report of the Nixon Fork Mine Project, Medfra Quadrangle, Alaska; prepared by Curtis J. Freeman, BA, MS PGeo, Avalon Development Corp.

	Indicated					Inferred				
		Grade		Contained Au			Grade		Contained Au	
Zone	Tonnes	g/t	opt	g	oz	Tonnes	g/t	opt	g	oz
Hard Rock:										
3000	10,570	31.8	0.93	336,443	10,817	20,350	31.7	0.93	645,909	20,766
3300	81,200	25.6	0.75	2,078,720	66,840	19,800	30.9	0.90	612,018	19,677
3550	1,200	11.7	0.34	14,052	452	1,550	11.6	0.34	17,965	578
Whalen	630	11.2	0.33	7,056	227	10	10.2	0.30	102	3
J5	7,500	16.7	0.49	125,025	4,020	660	13.6	0.40	8,963	288
3100	560	11.3	0.33	6,350	204	410	12.4	0.36	5,076	163
Mystery	27,400	23.7	0.69	649,380	20,878	100	18.9	0.55	1,885	61
Southern Cross						11,100	19.6	0.57	218,004	7,009
Subtotal	***129,060***	***24.9***	***0.73***	***3,217,027***	***103,438***	***53,980***	***28.0***	***0.82***	***1,509,921***	***48,545***
Existing Tailings*	92,000	7.9	0.23	724,040	23,287	48,000	7.4	0.21	353,760	11,377
Total	**221,060**	**17.8**	**0.52**	**3,941,067**	**126,725**	**101,980**	**18.3**	**0.53**	**1,863,681**	**59,922**

From this resource the mining for the quarter ended 30 April 2013 was: 1,927 tonnes (32,046 – 1st quarter 2013) from the 3300, 0 tonnes (231 – 1st quarter 2013) from the 3350, 0 tonnes (135 – 1st quarter 2013) from the 3100, 194 tonnes (0 – 1st quarter 2013) from the 3000 and 10,539 tonnes from the Mystery. From this resource 32,046 tonnes from the 3300, 231 tonnes from the 3350, 135 tonnes from the 3100 and 1,552 tonnes from the Mystery were mined in the year ended 31 October 2012.

OTHER PROPERTIES

The Draken property is located in southeast-central Alaska, approximately 288km southeast of Fairbanks, Alaska, and approximately 61km west of the Canadian border.

The Kansas Creek Project is located in the Bonnifield District of the central Alaska Range in central-interior Alaska approximately 110km south of Fairbanks, Alaska and 70km east of Healy, Alaska.

As the Company focus is on the Nixon Fork Mine, there is no intent to dedicate funds and effort to these properties.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the unaudited consolidated financial statements of the company prepared in accordance with IFRS.

	3 Mths ended 30 Apr 2013	3 Mths ended 30 Apr 2012	6 Mths ended 30 Apr 2013	6 Mths ended 30 Apr 2012
General and administrative expenses	271,309	696,304	642,704	1,727,187
Mineral property cash costs incurred	5,261,132	4,812,195	9,598,047	12,369,568
Loss before other items in total	6,392,404	5,588,912	11,872,268	14,245,810
Loss per share – Basic & fully diluted	0.02	0.05	0.04	0.14
Net comprehensive loss	6,416,611	5,588,912	11,866,080	14,245,810
Comprehensive loss per share – Basic & fully diluted	0.02	0.05	0.04	0.14
Total assets	10,436,893	14,906,785	10,436,893	14,906,785
Total long term liabilities	10,831,034	11,875,057	10,831,034	11,875,057

Major cost activity areas include the following:

	3 Mths ended 30 Apr 2013	3 Mths ended 30 Apr 2012	6 Mths ended 30 Apr 2013	6 Mths ended 30 Apr 2012
Administrative costs	$1.1 million	$0.8 million	$2.9 million	$2.1 million
Camp and maintenance	$3.9 million	$5.1 million	$8.2 million	$10.2 million
Drilling and mining	$1.9 million	$2.7 million	$3.6 million	$5.0 million
Geology and engineering	$0.2 million	$0.2 million	$0.5 million	$0.6 million
Assaying	$0.4 million	$0.2 million	$0.7 million	$0.5 million
Crushing and milling	$2.1 million	$1.0 million	$3.9 million	$3.2 million
Safety and environmental	$0.4 million	$0.1 million	$.08 million	$0.5 million
Royalties	$0.3 million	$0.2 million	$0.7 million	$0.4 million
Decommissioning liability	$Nil	$Nil	$0.1 million	$Nil
Financing	$0.7 million	$Nil	$1.3 million	$Nil
Cost recoveries	($5.1 million)	($5.5 million)	($11.9 million)	($10.0 million)

The net comprehensive loss for the quarter ended 30 Apr 2013 ($6.4 million) increased by $0.8 million over the quarter ended 30 April 2012. The primary contributors to the increase was the decrease in cost recoveries of $0.4 million over the quarter ended 30 April 2012, which was the result of the decreased gold recoveries and sales during the quarter, and the increase in financing costs of $0.7 million over the quarter ended 30 April 2012.

Environmental costs increased due to the continued use of consultants in the preparation of the mine plan of operations for the US Bureau of Land Management. The drilling and mining costs decreased due to the slowdown in mining as the new mine plan was being constructed. The camp and maintenance costs decreased as the quarter ended 30 April 2012 reflected major refurbishment projects. Crushing and milling and assaying costs were higher as the emphasis has been on improving the efficiencies and operation of the mill. Finance costs increased during the quarter due to the costs associated with the $12.75 million Waterton credit facility, which was concluded in the second quarter of fiscal 2012. The financing costs will continue to be an additional expense over previous periods during the life of the credit facility.

The net comprehensive loss for the six months ended 30 April 2013 ($11.9 million) decreased by $2.4 million from the 6 months ended 30 Apr 2012 ($14.2 million). The areas of major change were 1) cost recoveries for the six months were greater by $1.9 million (the increase occurring in the quarter 31 January 2013), 2) camp and maintenance costs decreased by $2.0 million due the completion of major refurbishment projects in the six months ended 30 April 2012, 3) drilling and mining costs decreased by $1.4 million due to the focus on creating the new plan and 4) financing costs increased by $1.3 million due the credit facility with Waterton.

Cost recoveries remained significantly below costs for the six months ended 30 April 2013 as well as for the months of May and June. Waterton has continued to advance cash against future deliveries of metal to cover the shortfall (the net amounts are detailed in Subsequent Events below).

Operating costs, other than drilling and mining, are now in a relatively steady state and are not expected to vary significantly either up or down from current levels. Once the new mine plan becomes operational, it is expected drilling and mining costs will increase but may be offset by increased metal recoveries.

Quarterly comparison data:

	30 Apr 2013	31 Jan 2013	31 Oct 2012	31 Jul 2012	30 Apr 2012	31 Jan 2012	31 Oct 2011	31 Jul 2011
Total Revenues	Nil	nil	nil	nil	Nil	nil	nil	Nil
Net loss	6,392,404	5,449,469	11,314,889	7,731,317	5,588,912	8,656,898	5,978,361	6,333,900
Net loss per share	0.02	0.02	0.05	0.08	0.05	0.08	0.05	0.08
Total assets	10,436,893	10,797,213	12,511,210	11,422,023	14,906,785	13,403,429	11,495,124	16,324,886

LIQUIDITY

At 30 April 2013, the Company's working capital (deficit), defined as current assets less current liabilities, was a deficit of $19,551,193 compared with working capital deficit of $3,746,776 at 31 October 2012. This issue is the single greatest concern of Company management and is being addressed through the operational improvements being implemented in the mine and mill, which may lead to the increased gold production needed for the financial viability of the Company. Management has determined that the Company will not be able to commence loan repayments to Waterton at 31 July 2013. As at 30 April 2013, the Company had the following commitments:

	< 1 year $	2-3 years $	> 3 years $	Total $
Rent and lease payments	52,651	38,134	-	90,785
Notes for Larox	284,722	-	-	284,722
Advances payable	8,610,014	-	-	8,610,014
Waterton loan extension fee	595,828	590,390	-	1,186,218
Waterton credit facility	10,289,904	6,173,942	-	16,463,846
Total commitments	**19,833,119**	**6,802,466**	-	**26,635,585**

MOST RECENT FINANCING

On 4 April 2012, the Company entered into a US$12.75 million gold-backed credit facility with Waterton. The Waterton Credit Facility bears interest at a fixed rate of 5% per annum, consists of a single drawdown on closing and is repayable in 16 monthly instalments, beginning 31 July 2013. The Waterton Credit Facility may be repaid, at Waterton's option, in either cash or ounces of gold at 78% of the then prevailing gold price. As part of the transaction, the Company has also agreed to sell to Waterton all of the gold and silver produced from the Carbon-in-leach (“CIL”) circuit until 30 April 2014 pursuant to a gold and silver supply agreement (the "Supply Agreement") at approximately 98.5% of current prices. In connection with the Waterton Credit Facility, the Company paid Waterton a cash structuring fee of US$255,000 and issued warrants (the "Warrants") to Waterton to purchase 8,250,000 common shares priced at $0.23575 per common share. The Warrants expire three years from the date of closing and are subject to a four month hold. In addition, the Company paid a finder's fee of US$255,000 to a broker.

MOST RECENT SHARE PROCEEDS

On August 9, 2012, the Company issued 88,417,458 equity units at a price of $0.065 for gross proceeds of $5,747,135 (the “First Tranche”). Each equity unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.10 for a period of five years. In connection with the offering, various agents were paid $137,041 and issued 2,108,320 compensation options which entitle the agents to purchase one share and one warrant at a price of $0.065 with each warrant having the same terms as the equity unit warrants.

On August 31, 2012, the Company issued 16,602,709 equity units at a price of $0.065 for gross proceeds of $1,079,176 (the “Second Tranche”). Each equity unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.10 for a period of five years. In connection with the offering, an agent was paid $86,334 and issued 1,328,216 compensation options which entitle the agent to purchase one share and one warrant at a price of $0.065 with each warrant having the same terms as the equity unit warrants.

On Sept 20, 2012, the Company issued 108,694,492 equity units at a price of $0.065 for gross proceeds of $7,065,142 (the “Third and Final Tranche”). Each equity unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.10 for a period of five years. In connection with the offering, various agents were paid an aggregate of $409,864 and issued 6,305,603 compensation options which entitle the agents to purchase one share and one warrant at a price of $0.065 with each warrant having the same terms as the equity unit warrants.

The proceeds of these offerings have been used for the further development of the Nixon Fork Gold Mine, satisfaction of outstanding debt and general working capital.

OUTSTANDING SHARE AND OPTION DATA

The Company is authorized to issue unlimited common shares without par value. At 30 April 2013 there were 316,157,031 outstanding shares compared to 316,157,031 at 31 October 2012. At 30 April 2013 there were 6,301,636 outstanding stock options at an average exercise price of $0.25. The Company also had 221,964,659 common share purchase warrants outstanding and exercisable, at weighted average exercise price of $0.11 and 9,671,062 compensation options at an average exercise price of $.065.

Stock Options

The Company has established a fixed share purchase option plan as of 26 July 2012, whereby the board of directors ("Board") may from time to time grant to directors, officers, employees or consultants up to a maximum of 10,244,237 stock options. Options granted must be exercised no later than ten years from date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option will be set by the Board at the time such option is granted and cannot be less than the closing market price on the TSX Venture Exchange ("TSXV") on the last trading day preceding the grant date, less any allowable discounts that may be permitted under applicable exchange policies.

During the quarter ended 30 April 2013 no options were issued. During the quarter ended 30 April 2013 300,000 options were cancelled.

Share Purchase Warrants

No share purchase warrants were issued during the quarter ended 30 April 2013. During the year ended 31 October 2012, 231,635,721 share purchase warrants were granted at a weighted average exercise price of $.10.

Exercise of Warrants and Options

During the quarter ended 30 April 2013, there were no agent compensation warrants, warrants, or stock options exercised.

RELATED PARTY TRANSACTIONS

The remuneration of directors and other members of key management were as follows:

	Qtr ended 30 April 2013	Qtr ended 30 April 2012	6 Mths ended 30 Apr 2013	6 Mths ended 30 Apr 2013
Short-term benefits	$137,895	$112,499	$269,207	$279,027
Share-based payments	$4,750	$371,271	$41,068	$633,061
Total	$142,645	$427,868	$310,275	$912,088

The liabilities of the Company include the following amounts due to related parties:

	30 April 2013	30 April 2012	31 Oct 2012
Chief Executive Officer	$6,073	$Nil	$6,218
Chief Financial Officer	$3,846	$Nil	$3,938
Former Chief Financial Officer	$Nil	$4,407	$32,282
Current directors	$28,208	$Nil	$Nil
Former directors	$39,984	$29,000	$39,984
Former VP Operations	$Nil	$6,272	$Nil
Total	$78,111	$39,679	$82,422

IMPORTANT NOTES

The Waterton Credit Facility has been amended to delay principal payments until no earlier than 31 July 2013 at a cost of $1,200,000 to be paid in future periods under the terms of that amendment.

The Company is involved in disputes related to human resources matters. Management intends to vigorously defend these claims. Included in trade and other payables at 30 April 2013 is $500,000 for total costs related to these matters.

SUBSEQUENT EVENTS

Subsequent to the quarter ended 30 April 2013, the Company received payments and advance payments from Waterton for the sale of gold doré valued at USD$6,036,152. In total since inception under the dore purchase agreement with Waterton, the Company has received payments of US$24,193,341 and delivered USD$11,865,698 in gold doré to Waterton, resulting in a current dore advance balance of USD$12,327,643.

Mine operating costs for May 2013 were approximately $3.1 million and cost recoveries were approximately $1.5 million. Mine operating costs for June 2013 are forecasted at $3 million with cost recoveries of $1.1 million.

As of June 28, the Company has commenced the process of placing its Nixon Fork gold mine on care and maintenance. A core team will remain at the mine site to maintain the infrastructure. The Company is taking this action until a revised operating plan has been developed and market conditions improve. In the interim, the Board will run a strategic process and consider and evaluate all options with respect to the Nixon Fork property.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in the preparation of these consolidated financial statements include, amongst other things, depreciation, determination of net recoverable value of assets, determination of fair value on taxes, and share compensation. These estimates are reviewed periodically (at least annually), and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

A detailed summary of all of the Company's significant accounting policies is included in Note 1 of the consolidated financial statements for the period ended 30 April 2013.

IFRS ACCOUNTING POLICIES

The Company's unaudited consolidated quarterly financial statements as at 30 April 2013 and the audited consolidated financial statements as at and for the year ended 31 October 2012 have been prepared in accordance with IFRS as issued by the IASB.

FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash and cash equivalents, trade payables and loans payable. The fair value of these financial instruments approximates their carrying value unless otherwise noted.

Fair Values

	Fair value hierarchy	FVTPL, at fair value	Loans and receivables, at amortized cost	Available-for-sale, at fair value	Other liabilities, at amortized cost
Cash and cash equivalents	Level 1	157,762	-	-	-
Trade and other receivables	Level 1	356,194	-	-	-
Trades payable	N/A	-	-	-	1,087,844
Loans and notes payable	N/A	-	-	-	14,139,418

a) **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing only with highly-rated Canadian and U.S. financial institutions. As at 30 April 2013, amounts receivable included Harmonized Sales Tax of $12,214, $162,672 due from Glencore for concentrate and $181,308 due from Alaska Air Fuel. Sales of commodities produced are made to established counterparties (Glencore and Waterton) and a significant portion of the receivable is paid to the Company upon shipment of the product. As a result of all of the above, credit risk is considered insignificant.

b) **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuously monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. This issue is the single greatest concern of Company management and is being addressed through the operational improvements being implemented in the mine and mill, which is expected to lead to the increased gold production needed for the financial viability of the Company.

c) **Currency Risk**

The Company is exposed to currency risk on its acquisition and exploration expenditures on its US properties since it has to convert Canadian dollars raised through equity financing in Canada to US dollars. The Company's expenditures will be negatively impacted if the US dollar increases versus the Canadian dollar.

At 30 April 2013 the majority of the Company's cash flows and financial assets and liabilities are denominated in US dollars, however, the Company's functional and reporting currency is Canadian dollars. Foreign currency risk is therefore limited to accounting for the foreign exchange gain/loss for the portion of the Company's business transactions denominated in currencies other than the Canadian dollar.

The Company monitors and forecasts the values of net foreign currency cash flow and balance sheet exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

The following table provide an indication of the Company's significant foreign currency exposures during the quarter ended 30 April 2013 and the year ended 31 October 2012:

	30 Apr 2013	**31 October 2012**
Cash and cash equivalents	US$157,762	US$988,989
Trade receivables	US$161,498	US$Nil
Trade payables	US$(1,023,606)	US$(1,228,532)
Loans payable	US$(12,750,000)	US$(12,750,000)

The activities at the Company's main operating unit, the Nixon Fork Mine, are conducted primarily in US dollars. The Company receives US dollars for the sale of its products from the Nixon Fork Mine (copper-gold concentrates and gold doré). The Company intends to minimize its net exposures to foreign currency fluctuations by maintaining a large portion of the revenues expected to be produced at the Nixon Fork Mine in US dollars to cover US dollar operating costs.

The Company has not entered into derivative instruments to offset the impact of foreign currency fluctuations.

d) **Interest Risk**

The company had no interest bearing investments at 30 April 2013.

e) **Commodity Price Risk**

The Company is in the advanced development stage at its Nixon Fork Mine and is subject to fluctuations in the price of gold, which impacts the Company's cost recoveries. The results of our operations will depend, amongst other variables, upon the market price of gold. Gold prices fluctuate widely and are affected by numerous factors beyond our control. The level of interest rates, the rate of inflation, the world supply of gold and the stability of exchange rates, among other factors, can all cause significant fluctuations in commodity prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of gold has fluctuated widely in recent years, and future price declines could cause a mineral project to become uneconomic, thereby having a material adverse effect on our business and financial condition. We have not entered into derivative contracts to protect the selling price for gold. We may in the future more actively manage our exposure through derivative contracts or other commodity price risk management programs, although we have no intention of doing so in the near-term.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws.

Based on the evaluation of the disclosure controls performed to date, the Company has determined that the internal controls over financial reporting are effective.

INTERNAL CONTROLS AND PROCEDURES

Internal controls and procedures are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. As at the end of the year covered by this management's discussion and analysis, management had designed and implemented internal controls and procedures as required by Canadian securities laws.

The Company has evaluated the design of its internal controls and procedures over financial reporting for the quarter ended 30 April 2013. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Management continues to review and refine its internal controls and procedures.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.