Westridge Resources Inc.
Management Discussion and Analysis
Year ended July 31, 2011

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the Westridge Resources Inc ("Westridge" or the "Company") consolidated financial statements. The information provided herein should be read in conjunction with the Company's audited consolidated financial statements and notes for year ended July 31, 2011 and 2010. The effective date of this report is October 27, 2011.

The Company's management is responsible for presentation and preparation of the consolidated financial statements and the Management's Discussion and Analysis ("MD&A"). The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

DESCRIPTION OF BUSINESS AND OVERVIEW

Westridge Resources Inc. (the "Company") is an exploration stage company incorporated under the laws of the Province of British Columbia on April 30, 2007. The Company is focused on the acquisition, evaluation and exploration of mineral resource properties. To date, the Company has focused its exploration activities on the Mount Sicker property in the southeastern area of Vancouver Island, B.C. The Company also acquired an option to acquire certain concessions in the United Mexican States known as the Charay Project.

The Company trades on the TSX Venture Exchange under the stock symbol WST.

SELECTED ANNUAL INFORMATION

	Year Ended July 31, 2011	Year Ended July 31, 2010	Year Ended July 31, 2009
Total revenues	$ Nil	$ Nil	$ Nil
General and administrative expenses	515,525	295,999	50,435
Loss for the year	(507,691)	(293,469)	(50,435)
Loss per share – basic and diluted	(0.04)	(0.03)	(0.01)
Total assets	1,090,356	1,268,966	273,799
Total long-term financial liabilities	-	-	-
Total dividend paid	-	-	-

This financial information was prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and reported in Canadian dollars.

RESULTS OF OPERATIONS

Overall, the Company recorded a net loss of $507,691 ($0.04 loss per common share) for the year ended July 31, 2011 as compared to a net loss of $293,469 ($0.03 loss per common share) for year ended July 31, 2010.

Operating Expenses:

The Company had no operating revenue for the years ended July 31, 2011 and 2010. The operating expenses were $515,525 for the year ended July 31, 2011 as compared to $295,999 for the year ended July 31, 2010. The overall increase in operating expenses can be attributed to the following:

The advertising and promotion costs of $2,808 (2010 - $9,942) were for website hosting as compared to 2010 when the costs were higher for website development as well as other promotional initiatives undertaken to establish presence on the internet and in the marketplace.

Consulting fees of $29,011 (2010 - $nil) increased as a result of consulting fees paid to a director of the Company for business development purposes.

Office and general charges of $26,592 (2010 - $22,667) increased as result of monthly rent and other operating costs.

Investor relations of $66,578 (2010 - $15,000) increased as the Company paid service fees to a investor relations firm to provide investor relations and marketing services.

Management fees of $90,297 (2010 - $53,800) and professional fees of $81,783 (2010 - $61,080) increased due to increased business activity related to business operations and development.

Stock based compensation of $202,434 (2010 - $99,259) increased as a result of recognizing stock based compensation expense for the stock options vested during the year ended July 31, 2011.

Interest income was $7,834 (2010 - $2,530) as the Company had a large cash balance held in a Guaranteed Investment Certificates (GIC) resulting in the increased interest income earned as compared to prior year when there was less cash held in guaranteed investments.

FOURTH QUARTER

The increase in net loss of $219,673 (or $0.01 loss per share) over the previous quarters and as compared to the same period in 2010 was mainly due to increased corporate activity and recognition of stock based compensation relating to issuance of 550,000 stock options to an officer of the Company that vested immediately during the quarter.

MINERAL PROPERTIES

Mt. Sticker project (British Columbia, Canada)
During November 2007, the Company entered into an option agreement with 747080 BC Ltd. to acquire an 100% interest in the Mt. Sicker Mineral Property located near Duncan, British Columbia. The option agreement calls for the issuance of 400,000 common shares (400,000 issued) and cash payments totaling $150,000 ($95,000 paid) over four years. The property is subject to a 2% net smelter return held by the vendor payable upon commencement of commercial production that is reducible to 1% by paying the vendor $1,000,000. Within 30 days of the commencement of commercial production the Company will issue 400,000 common shares to 747080 BC Ltd.

During the year ended July 31, 2011, the Company issued the last instalment of 75,000 (2010 – 75,000) common shares valued at $29,250 (2010 - $4,500) and made a cash payment of $15,000 (2010 - $45,000) towards the option agreement. The Company has negotiated an extension to January, 2012 on the remaining $55,000 of option payments due.

Charay project (Mexico)

Subsequent to the year ended July 31, 2011, the Company entered into an option agreement with Musgrove Minerals Corp. for an option to acquire an 80% interest in and to certain mineral concessions in the United Mexican States known as the “Charay Project” by making certain work commitments, payments and issuing common shares of the Company as detailed in Note 10 in the July 31, 2011 consolidated financial statements. The Company will have the right to purchase the remaining 20% interest from Musgrove for a single $5,000,000 lump sum payment.

Prior to the Company entering into an option agreement, the Company incurred certain acquisition and other due diligence costs which are capitalized to the Charay project.

A summary of exploration and development costs:

	Mt. Sicker, Canada	Charay Project, Mexico	Total
Balance July 31, 2010	$ 242,078	$ -	$ 242,078
Additions			
Acquisition costs	44,250	102,787	147,037
Mining rights and taxes	7,887	-	7,887
Consulting	-	21,965	21,965
Drilling sampling and assay	-	65,314	65,314
Refundable tax credits	(7,884)	-	(7,884)
Net additions	44,253	190,066	234,319
Balance July 31, 2011	**$ 286,331**	**$ 190,066**	**$ 476,397**

SUMMARY OF QUARTERLY RESULTS

The following financial data is selected information for the Company for the eight most recently completed financial quarters:

	July 31, 2011	April 30, 2011	January 31, 2011	October 27, 2010
Total Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss for the period	(219,673)	(161,338)	(57,406)	(69,274)
Loss per Share (Basic & diluted)	(0.01)	(0.01)	(0.01)	(0.01)
Total Assets	1,090,356	1,159,959	1,167,045	1,225,993
Total Liabilities	61,380	13,895	-	33,038

	July 31, 2010	April 30, 2010	January 31, 2010	October 31, 2009
Total Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss for the period	(210,809)	(43,886)	(16,472)	(22,302)
Loss per Share (Basic & diluted)	(0.02)	(0.01)	Nil	Nil
Total Assets	1,268,966	396,028	341,553	294,714
Total Liabilities	8,983	225,789	127,428	68,617

The increase in loss over the fiscal quarters in 2011 as compared to the same period in 2010 is mainly due to increased corporate activity and recognition of stock based compensation relating to issuance stock options that vested immediately during the year.

LIQUIDITY, FINANCINGS AND CAPITAL RESOURCES

The Company is currently in the exploration stage and therefore has generated no cash flow from operations. The Company's principle source of funds since incorporation has been from the issuance of Common Shares.

As at July 31, 2011, the Company had a cash and cash equivalents balance of $582,252 (2010 - $975,340) to settle current liabilities of $61,380 (2010 - $8,983). These funds provide sufficient working capital for the Company to complete its operating and planned exploration and development program for the coming year. The Company does not have any long-term debt. There are no known trends affecting the Company's liquidity or capital resources.

Financing

During the year ended July 31, 2011, the Company issued 180,000 common shares for exercised warrants for gross proceeds of $45,000.

Subsequent to the year-end, on September 20, 2011, the Company announced, a non-brokered private placement of up to 3,076,924 units at a price of $0.65 per unit, for gross proceeds of up to $2,000,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one additional common share of the Company for a period expiring six months from the closing of the

offering at a price of $0.85 per share for the first four months of the exercise period and at a price of $1.00 per share for the following two months of the exercise period until the expiry date.

During the year ended July 31, 2010, the Company completed its initial public offering by issuing 5,600,000 Common Shares at $0.25 per share for gross proceeds of $1,400,000 pursuant to its prospectus dated February 8, 2010 filed with the British Columbia, Alberta, and Ontario Securities Commissions.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

a) Paid or accrued management fees of $79,297 (2010 - $53,800) to companies controlled by officers of the Company.

b) Paid or accrued consulting fees of $14,000 (2010 - $nil) to a company controlled by a financial officer of the Company.

c) Paid or accrued consulting fees of $11,408 (2010 - $nil) to director of the Company.

d) Paid or accrued professional fees of $nil (2010 - $25,000) to a former officer of the Company.

Included in accounts payable and accrued liabilities is $13,829 (2010 - $6,885) due to related parties.

These transactions have been in the normal course of operations and are recorded at their exchange amounts, which is the consideration agreed upon by the related parties.

CAPITAL COMMITTMENTS

The Company has no commitments for property and equipment expenditures for 2012. The Company has forecasted that any property and equipment expenditures based on future needs, will be funded from working capital and/or from operating or capital leases.

SIGNIFICANT ACCOUNTING POLICIES

Recent accounting pronouncements not yet adopted

Conversion to International Financial Reporting Standards ("IFRS")

In 2006, the Accounting standards Board (AcSB) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly listed companies to use IFRS, replacing Canadian GAAP. The date is effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company's adoption date of August 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended July 31, 2011.

Management has developed a project plan for the conversion to IFRS based on the current nature of operations. The conversion plan is comprised of three phases:

1) Scoping phase which will assess the likely GAAP differences and overall effort required by the Company in order to transition to IFRS;

2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter; and,

3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at August 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant pro forma consolidated financial statements including all note disclosures and disclosures required for the MD&A.

Management has completed phase one, including completing a preliminary assessment of the significant differences between Canadian GAAP and IFRS. Management is currently proceeding through phase two, which involves performing a detailed assessment of those IFRS standards relevant to the Company's consolidated financial statements.

The Company's IFRS conversion plan addresses matters including changes in accounting policies, IT and data systems, restatement of comparative periods, organizational and internal controls and any required changes to business processes. To facilitate this process and ensure the full impact of the conversion is understood and managed reasonably, the Company has retained an IFRS conversion consultant. Through in-depth training and detailed analysis of IFRS standards, the Company's accounting personnel has obtained a thorough understanding of IFRS and possesses sufficient financial reporting expertise to support the Company's future needs. The Company has also reviewed its internal and disclosure control processes and believes they will not need significant modification as a result of the conversion to IFRS. Further, the Company has assessed the impact on IT and data systems and has concluded there will be no significant impact to applications arising from the transition to IFRS.

Set out below are the most significant areas, management has identified on a preliminary basis to date, where changes to IFRS accounting policies may have a significant impact on the Company's consolidated financial statements:

IFRS 2: -Share Based Payments
The Company has treated awards with graded vesting under Canadian GAAP as one composite award and recognized related stock based compensation expense for the overall award on straight line basis. IFRS 2, on the other hand, requires that each vesting tranche of a graded vesting award be accounted for as a separate award and amortized over their individual vesting term.

Under Canadian GAAP, the effect of forfeitures has been recognized as they occur. Under IFRS, estimate of forfeitures must be made when determining the number of equity instruments expected to vest.

Upon adoption of IFRS, the Company will change both the method of accounted for graded vesting awards and forfeitures.

Management has not yet determined the measurement adjustment arising from the application of IFRS 2 on transition to IFRS.

IFRS 6: -Exploration and Evaluation Assets
Under the Company's current accounting policy, acquisition costs of mineral properties, together with direct exploration and development expenses incurred thereon are capitalized.

Upon adoption of IFRS, the Company could continue to apply this policy or change its policy to expense exploration and evaluation costs. The Company's current accounting policy of capitalizing costs incurred for exploration, and evaluation costs will likely be maintained through transition with no significant differences anticipated.

IAS 16: - Property, plant & equipment
IFRS 1 provides a choice between measuring property, plant and equipment at its fair value at the date of transition and using those amounts as deemed cost or using the historical cost basis under Canadian GAAP.

The Company has made a preliminary decision to use the historical cost carrying values as determined under Canadian GAAP for transitional purposes.

IAS 21: - Effects of changes in foreign exchange rates

Under Canadian GAAP, the functional currency (referred to as measurement currency) of the Company and all its subsidiaries is the Canadian dollar.

Management has preliminarily concluded that the functional currency of all Company entities is the Canadian dollar under IFRS. There will therefore be no measurement differences arising from the application of IAS 21 on transition to IFRS.

IAS 12: - Future Income Taxes
Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

IFRS prohibits recognition where deferred income taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable net earnings.

Management has not yet determined the measurement adjustment arising from the application of IAS 12 on transition to IFRS.

IAS 1: - Presentation of Financial Statements
One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note references. The Company is continuing to assess the level of presentation and disclosures required in its consolidated financial statements.

IFRS 1 First-Time Adoption of International Financial Reporting Standards
Adoption of IFRS requires the application of IFRS 1 First-time Adoption of International Financial Reporting Standards, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 gives entities adopting IFRS for the first time a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. The following are the optional exemptions available under IFRS 1 that the Company currently intends to elect on transition to IFRS. The Company continues to review all IFRS 1 exemptions and will implement those determined to be most appropriate in our circumstances on transition to IFRS. The list below should not be regarded as a complete list of IFRS 1 that are available to the Company as a result from the transition to IFRS.

Share-Based payments
IFRS 1 permits the application of IFRS 2 Share-Based Payments only to equity instruments that had not vested by the date of transition to IFRS. The Company expects to elect this exemption and to apply IFRS 2 for equity instruments granted after November 7, 2002 that had not vested by August 1, 2010.

The discussion above on potential significant impacts on transition to IFRS is provided to allow readers to obtain a better understanding of the Company's IFRS changeover plan and the resulting potential effects on the Company's consolidated financial statements. Readers are cautioned, however, that it may not be appropriate to use such information for any other purpose. This discussion reflects the Company's most recent assumptions and expectations; circumstances may arise, such as changes in IFRS, regulations or economic conditions, which could change these assumptions or expectations. The Company is still in the process of completing the selection of IFRS accounting policies and the quantification of identified differences. Accordingly, the discussion above is subject to change.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving

uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

Fair value

Cash and cash equivalents and restricted cash are carried at fair value using a level 1 fair value measurement.

The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value due to the short-term nature of these instruments.

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

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at July 31, 2011, the Company had a cash and cash equivalents balance of $582,252 (2010 - $975,340) to settle current liabilities of $61,380 (2010 - $8,983). All of the Company's financial liabilities are subject to normal trade terms.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

(a) Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's current policy is to maintain cash in reputable banking institutions and does not believe interest rate risk to be significant.

(b) Foreign currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently, have an impact upon the reported results of the Company and may also affect the value of the Company's assets and liabilities. At July 31, 2011, the company has US dollar denominated accounts receivable and accounts payable and accrued liabilities of US$16,000 and US$39,849 respectively. Based on these net exposures at July 31, 2011, a 10% appreciation and depreciation of the Canadian dollar against the US dollar would result in an increased or decrease of $2,403 in the Company's loss.

SHARE CAPITAL

The Company has the following common shares, stock options, and stock warrants outstanding:

Common shares

	Number of Shares	Capital Stock	Contributed Surplus
Authorized			
Unlimited common shares, without par value			
Issued			
Balance, July 31, 2009	6,999,994	$ 420,000	$ -
Initial public offering	5,896,000	1,474,000	-
Shares issued for mineral properties	75,000	4,500	-
Share issuance costs	-	(272,706)	-
Agent's warrants	-	(73,812)	73,812
Stock-based compensation	-	-	99,259
Balance, July 31, 2010	12,970,994	1,551,982	173,071
Shares issued for mineral properties	75,000	29,250	-
Shares issued for warrants exercised	180,000	68,725	(23,725)
Stock-based compensation	-	-	202,434
Balance, July 31, 2011	**13,225,994**	**$ 1,649,957**	**$ 351,780**
Shares issued for stock options exercised	225,000	56,250	(40,500)
Stock-based compensation for agents options vested	-	-	10,959
Balance, October 27, 2011 (date of the report)	**13,450,994**	**$ 1,706,207**	**$ 322,239**

During the year ended July 31, 2011, the Company issued 75,000 common shares valued at $29,250 pursuant to the mineral property option agreement (described in Note 4 of the audited consolidated financial statements).

During the previous fiscal year ended July 31, 2010, the Company completed an initial public offering of 5,600,000 common shares at $0.25 per share for gross proceeds of $1,400,000. The Company also issued 296,000 common shares for finder fees and granted 560,000 warrants in connection with this offering. In addition, 75,000 shares were issued pursuant to the mineral property option agreement. The Company used the proceeds of the offering for further exploration of the Mt. Sicker Mineral Property and unallocated working capital.

Escrow shares

At July 31, 2011 and October 27, 2011, included in issued share capital are 1,835,599 common shares which are subject to an escrow agreement. On May 4, 2010, when the Company completed the IPO, 10% was released from escrow and the remaining shares will be released over 36 months from May 4, 2010.

Stock Options
As at July 31, 2011, there are 1,200,000 stock options outstanding, of which 1,050,000 are exercisable, at a weighted average exercise price of $0.37.

As at October 27, 2011 (date of the report), the following stock options are outstanding.

	Number of Shares	Exercise Price	Expiry Date
Stock options	275,000	0.25	May 4, 2015
	400,000	0.40	February 22, 2016
	150,000	0.53	July 13, 2012
	150,000	0.53	July 13, 2016
Balance, as at October 27, 2011	975,000		

Warrants:
As at July 31, 2011 and October 27, 2011 (date of the report), there are 380,000 share purchase warrants outstanding and exercisable at $0.25, expiring on May 4, 2012.

OFF-SHEET BALANCE ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

RISKS AND UNCERTAINTIES

The Company's financial success will be dependent upon the Company's ability to raise equity. There is no assurance that the Company will be able to raise the equity required to meet the obligations of the Company and the Company has no source of financing other than those identified in the previous section.

GOING CONCERN

To date, the Company has not generated any significant revenues and is considered to be in the development stage. The Company has a history of negative cash flows from operations, incurred a net loss of $507,691 during the year ended July 31, 2011 and as of that date has an accumulated deficit of $972,761. The Company continues to be dependent upon its ability to finance its development and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of exploration projects, and ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, confirmation of the Company's interest in the underlying resource claims, the ability to raise long-term financing to complete the development of the properties and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain.

FORWARD LOOKING STATEMENTS

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, which address reserve potential, exploration drilling and related activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such

statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Other information

Additional information relating to the Company can be found on our website at www.westridgeresources.com and on SEDAR at www.sedar.com.