SPEARMINT RESOURCES INC.

Management's Discussion and Analysis
For the six months ended July 31, 2014

Date of Report: September 26, 2014

The following discussion and analysis of our financial condition and results of operations for the six months ended July 31, 2014, should be read in conjunction with our audited financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to our company's activities can be found on SEDAR at www.sedar.com.

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about our current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price of minerals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Company Overview

Our company was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. Our company is an exploration stage public company and is listed on the TSX Venture Exchange under our trading symbol to "SRJ". At July 31, 2014, our company's principal business activities include acquiring and exploring exploration and evaluation assets. At July 31, 2014, our company had exploration and evaluation assets located in Canada.

During the six months ended July 31, 2014, our company split its share capital, stock options and share purchase warrants on a one pre-split for five post-split basis. This report reflects the share split.

Mineral Properties

Otter Property (Princeton, British Columbia, Canada)

On October 11, 2011, our company entered into an option agreement (the "Agreement") with an arm's length party (the "Vendor") whereby our company was granted an option (the "Option") to acquire a 100% interest in and to twelve mineral claims known as the Otter Property located in the Similkameen Mining Division in the Princeton Area of British Columbia. The Vendor is the sole beneficial owner of a 100% undivided interest in the Otter Property.

The Otter Property is an epithermal precious metals project. The road access to the Otter Property is located approximately 17 kilometers north-northwest of Princeton, British Columbia and the property consists of 12 claims totaling 5,296 hectares.

As disclosed in a news release on December 21, 2012, we announced that we completed a program of line cutting and 3D induced polarization (IP) surveying.

The IP program concentrated on the heart of Grid E and consisted of nine 1,600 metre lines across Grid E spaced at 150 metre intervals. Grid E covered a 1,700 metre section of a regional lineament that transects the entire 5,296 hectare property. The entire 1,700 metre length of the lineament through Grid E is anomalous in gold and silver, as well as several indicator elements for low sulphidation epithermal precious metal deposits. The width of the main linear anomaly ranges from 100 to 200 metres. There is also a second 800 metre long linear that appears to be a north trending splay from the main linear anomaly approximately midway up the grid. The splay ranges from 25 to 200 metres in width. There are also indications of parallel linear anomalies on the eastern side of the grid, but they are not as pronounced as the main anomaly.

The IP survey focused on locating high resistivity zones at depth with the soil anomalies which may be indicative of quartz veining or silica alteration that is often associated with precious metals mineralization with low sulphidation epithermal systems.

On January 9, 2013, our company amended the Agreement with the Vendor. The Vendor agreed to amend the Agreement regarding the work commitments due to be spent on the prospect. On February 3, 2014, we further amended the Agreement and the amendment dated January 9, 2013 with the Vendor regarding the work commitments due to be spent on the prospect and share issuances required to be made. Our company is now required to incur exploration costs and issue common shares as follows:

	Cash	Exploration Costs	Common Shares
Upon execution of the Agreement (paid)	$ 25,000	$ -	-
Upon closing date (cash paid and shares issued at a value of $20,000)	15,000	-	1,000,000
On or before February 3, 2013 (issued at a value of $39,000)	-	-	1,000,000
On or before February 3, 2014 (incurred)	-	116,000	-
On or before February 3, 2014 (issued at a value of $3,500)	-	-	250,000
On or before February 3, 2015	-	84,000	750,000
On or before February 3, 2016	-	300,000	1,000,000
On or before February 3, 2017	-	500,000	-
On or before February 3, 2018	-	1,000,000	-
	$ 40,000	$ 2,000,000	4,000,000

Upon satisfaction of the payments, share issuances and work commitments above, the Option will be deemed to be exercised and a 100% undivided interest in the property will be transferred to our company, free and clear of all encumbrances, subject to a 2% net smelter return royalty (the "NSR") in favour of the Optionor with respect to production of all precious metals from the property. The NSR will be payable following commencement of commercial production on the property. Our company may buy-back 1% of the NSR in consideration for payment of $1,000,000 to the Optionor.

During the year ended January 31, 2013, our company paid a finders' fee of $6,000 in connection with this transaction.

As at July 31, 2014, our company had spent a total of $116,165 in exploration expenditures on the property. At this time additional funds need to be raised in order for us to work on the prospect, however management anticipates that additional funds will need to be raised, through equity financings, shareholder loans, or otherwise, to fund a work program on this property. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

Sheslay Property (British Columbia, Canada)

During the six months ended July 31, 2014, we acquired a 100% interest in certain mineral claims in British Columbia (the "Sheslay Property"). These claims were acquired via staking for a cost of $1,631.

No work has been conducted on the Sheslay Property to date. At this time additional funds need to be raised in order for us to work on the prospect, however management anticipates that additional funds will need to be raised, through equity financings, shareholder loans, or otherwise, to fund a work program on this property. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

Overall Performance

We are an exploration stage issuer engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. As such, we have not had any revenues in the past two fiscal years. We do not expect to generate any revenues in the foreseeable future. We expect our company to continue to incur expenses as we work to explore and develop our mineral property.

Our company is in the process of exploring our mineral properties and has not yet determined whether the mineral properties contain reserves that are economically recoverable. Our company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from our company's mineral properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of our company to obtain necessary financing to continue to explore and develop our properties, and upon future profitable production. Uncertainty in credit markets has led to increased difficulties in raising and borrowing funds. As a result, our company may have difficulties raising equity financing for the purposes of exploration and development of our company's mineral properties, without diluting the interests of current shareholders of our company.

We incurred operating expenses of $162,809 and $51,271 for the six months ended July 31, 2014 and 2013, respectively. Higher operating expenses during the six months ended July 31, 2014 was largely the result of increased consulting fees, professional fees and transfer agent and filing fees relating to the one for five share split and evaluating new resource projects and other business opportunities. Our company had a working capital deficiency of $144,159 and cash of $9,852 at July 31, 2014 as compared to a working capital deficiency of $1,043 and cash and cash equivalents of $41,634 at January 31, 2014. As at July 31, 2014, we had an accumulated deficit of $650,787 since inception. Management believes that our company's available funds will not be sufficient to meet our working capital requirements for the next twelve month period.

Management anticipates that additional funds will need to be raised, through equity financings, shareholder loans, or otherwise, to fund our company's planned work programs on our mineral property and ongoing operations. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all. Our company may have difficulty raising additional funds as necessary due to a number of uncertainties and risk factors, including uncertainty in credit markets, fluctuation in commodity prices and general economic downturns. See "Liquidity and Capital Resources" and "Risk Factors" for a discussion of risk factors that may impact our company's ability to raise funds. Information about our company's commitments relating to our mineral properties is discussed above under "Company Overview – Mineral Properties".

Additional information about the risks and uncertainties relating to our company's business and financial performance is discussed below under "Risks Factors".

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the eight most recently completed interim quarters:

	2015 Second	**2015 First**	**2014 Fourth**	**2014 Third**	**2014 Second**	**2014 First**	**2013 Fourth**	**2013 Third**
Total revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Loss before discontinued operations and extraordinary items:								
Total	$(82,220)	$(80,568)	$(25,913)	$(41,016)	$(22,267)	$(28,703)	$(64,741)	$(42,425)
Loss per share	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)
Loss per share fully diluted	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)
Net comprehensive loss:								
Total	$(82,220)	$(80,568)	$(25,913)	$(41,016)	$(22,267)	$(28,703)	$(64,741)	$(42,425)
Loss per share	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)
Loss per share fully diluted	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)

Summary of Results During Prior Eight Quarters

Net comprehensive loss increased by $22,316 from the third to the fourth quarter of 2013 mainly due to increased consulting fees and professional fees in respect of the annual audit fee and increased corporate activity. Net comprehensive loss decreased by $36,038 from the fourth quarter of 2013 to the first quarter of 2014 primarily due to lower consulting and professional fees during the quarter. Net comprehensive loss decreased by $6,436 from the first quarter of 2014 to the second quarter of 2014 due to increased professional fees and filing fees associated with our annual report filed during the first quarter. Net comprehensive loss increased by $18,749 from the second quarter of 2014 to the third quarter of 2014 due to a share-based payment charge to the statement of operations in connection with the grant of stock options to management and consultants of our company during the quarter. Net comprehensive loss decreased by $15,103 from the third quarter of 2014 to the fourth quarter of 2014 due to the share-based payment charge in the third quarter of 2014 in connection with the grant of stock options to management and consultants of our company during that quarter. Net comprehensive loss increased by $54,655 from the fourth quarter of 2014 to the first quarter of 2015 primarily due to increased consulting and professional fees and transfer agent and filing fees. Net comprehensive loss was relatively stable from the first quarter of 2015 to the second quarter of 2015, as an increase in consulting fees was offset by a decrease in professional fees and transfer agent and filing fees.

Discussion of Operations

Three Months Ended July 31, 2014 Compared to the Three Months Ended July 31, 2013

We did not generate any revenues for the three months ended July 31, 2014 and for the three months ended July 31, 2013. Operating expenses for the three months ended July 31, 2014 increased to $82,220 from $22,425 for the three months ended July 31, 2013 mainly due to an increase in corporate consulting fees of $60,000 (three months ended July 31, 2013 - $Nil). Net comprehensive loss for the three months ended July 31, 2014 increased to $82,220 from $22,267 for the three months ended July 31, 2013 mainly due to an increase in operating expenses. These expenses represent the costs of administering a public company.

Six Months Ended July 31, 2014 Compared to the Six Months Ended July 31, 2013

We did not generate any revenues for the six months ended July 31, 2014 and for the six months ended July 31, 2013. Operating expenses for the six months ended July 31, 2014 increased to $162,809 from $51,271, for the six months ended July 31, 2013 mainly due to an increase in corporate consulting fees of $105,000 (six months ended July 31, 2013 - $Nil), professional fees of $22,598 (six months ended July 31, 2013 - $17,145) and transfer agent and filing fees of $15,799 (six months ended July 31, 2013 - $11,105). Net comprehensive loss for the six months ended July 31, 2014 increased to $162,788 from $50,970 for the six months ended July 31, 2013 mainly due to an increase in operating expenses. These expenses represent the costs of administering a public company.

Total assets decreased by $23,165 to $225,937 as at July 31, 2014 from $249,102 as at January 31, 2014. This decrease was mainly a result of a decrease in cash and cash equivalents of $31,782 which was used for operating expenses, partially offset by an increase in receivables of $3,293 and an increase in exploration and evaluation assets of $5,131 (comprising shares issued for acquisition costs valued at $3,500 and staking costs of $1,631).

See "Company Overview – Mineral Properties" for a discussion of our mineral property, including our plans for our mineral properties, the status of our plans, expenditures made and the anticipated timing and costs to take our mineral properties to the next stage of the project plan.

See "Overall Performance" for a discussion of events, risks and uncertainties that we believe will materially affect our company's future performance and "Risk Factors" for a discussion of risk factors affecting our company.

Liquidity and Capital Resources

Liquidity

At July 31, 2014, we had $9,852 in cash and a working capital deficiency of $144,159 compared to cash and cash equivalents of $41,634 and working capital deficiency of $1,043 at January 31, 2014. Total current assets decreased by $28,296 and current liabilities increased by $114,820 from January 31, 2014 to July 31, 2014. Current liabilities as at July 31, 2014 consisted of accounts payable and accrued liabilities of $158,214 (January 31, 2014: $43,394).

Management believes that our company's cash will not be sufficient to meet our working capital requirements for the next twelve month period. As a mineral exploration company, our expenses are expected to increase as we explore our mineral property further; however, management does not expect our company to generate revenues in the foreseeable future.

Our company's ability to conduct the planned work programs on our mineral property, meet our ongoing levels of corporate overhead and discharge our liabilities as they become due is dependent, in large part, on the ability of our management to raise additional funds as necessary. Management anticipates that additional equity financings will need to be conducted to raise additional funds which, if successful, will result in dilution in the equity interests of our company's current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all. Our company's ability to raise additional funds in the future and its liquidity may be negatively impacted by a number of factors, including changes in commodity prices, market volatility and general economic downturns.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining further long-term financing, successful exploration of our mineral property interest, the identification of reserves sufficient to warrant development, successful development of our property interests and achieving a profitable level of operations. Due to the uncertainty of our ability to meet our current operating and capital expenses, in their report on our audited financial statements for the year ended January 31, 2014, our independent auditors included an explanatory paragraph regarding their substantial doubt about our ability to continue as a going concern.

Our company has no long-term debt.

Capital Resources

We have the following commitments for capital expenditures with respect to our mineral properties as at July 31, 2014. The expenditures are optional and we may decide not to incur such payments in the event we do not decide to pursue further exploration with respect to such properties.

- *Otter Property*:
  - October 11, 2011 option agreement, amended January 9, 2013 and further amended February 3, 2014: As at July 31, 2014, our company was required to incur exploration expenditures as follows: incur $84,000 on or before February 3, 2015; incur $300,000 on or before February 3, 2016; incur $500,000 on or before February 3, 2017 and incur $1,000,000 on or before February 3, 2018.
- *Sheslay Property*:
  - Our Sheslay Property claims are in good standing until February 2, 2015. In order to renew these claims for another year, we are required to pay $6,466 in annual rent by February 2, 2015, unless we spend an amount greater than $3,233 in exploration on the claims beforehand.

If we elect to meet these capital expenditure requirements, it is expected that in addition to using funds currently available to our company, additional funds will need to be raised through equity financings, shareholder loans or otherwise. Our company's ability to raise additional funds is subject to a number of uncertainties and risk factors. See "Liquidity and Capital Resources – Liquidity".

See "Company Overview – Mineral Properties" for a discussion of our company's capital expenditure commitments with respect to our mineral properties.

Operating Activities

During the six months ended July 31, 2014, operating activities used $49,651 in cash. The principal source of this amount was our loss for the period of $162,788, offset by an increase in accounts payable and accrued liabilities of $114,820.

For the comparative six months ended July 31, 2013, operating activities used $47,639 in cash. The principal source of this amount was our loss for the period of $50,970 offset by a decrease in receivables of $4,566 and other items.

Investing Activities

During the six months ended July 31, 2014 investing activities used cash of $1,631 due to the costs incurred to stake the Sheslay Property mineral claims.

For the six months ended July 31, 2013, our company did not have any cash flows used in investing activities.

Financing Activities

During the six months ended July 31, 2014, financing activities provided cash of $19,500, which is attributable to the exercise of share purchase warrants.

For the six months ended July 31, 2013, our company did not have any cash flows from financing activities.

Changes in Accounting Policies including Initial Adoption

Accounting standards, interpretations and amendments adopted

As of February 1, 2014, our company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. Our company has adopted the following new standards without any significant effect on its condensed interim financial statements. The nature and impact of these new standards is described below:

IAS 32 – Financial Instruments: Presentation ("IAS 32")

The IASB amended IAS 32, "Financial Instruments: Presentation" to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off';
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

IAS 32 had no impact on our company's condensed interim financial statements.

IAS 36 – Impairment of Assets ("IAS 36")

The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. IAS 36 had no impact on our company's condensed interim financial statements.

IFRIC 21 – Levies ("IFRIC 21")

An interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 had no impact on our company's condensed interim financial statements.

Accounting standards issued but not yet effective

We have reviewed new and revised accounting pronouncements that have been issued but are not yet effective. We have not early adopted any of these standards and are currently evaluating the impact, if any, that these standards might have on its financial statements.

IFRS 9 – Financial Instruments ("IFRS 9")

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018.

Off-Balance Sheet Arrangements

As of the date of this report, our company does not utilize off-balance sheet arrangements.

Related Parties Transactions

During the six months ended July 31, 2014, our company incurred share-based payments of $1,803 to a company controlled by a director. As a mineral exploration issuer, our company partially relies on the issuance of stock options to compensate our directors and officers for their time and dedication to our company.

As at July 31, 2014, amounts due to related parties were $25,038, which included $19,837 due to Makena Resources Inc., a public company with directors in common for unpaid accounting and administrative expenses, and office rent expenses, $201 due to Sienna Resources Inc., a public company with one former director in common for unpaid office expenses, $2,500 owing to a director for unpaid directors' fees and $2,500 owing to an officer for unpaid accounting fees.

The transactions that gave rise to the amounts due to and due from related parties were in the normal course of operations and were measured at the exchange amount, which is a reasonable amount agreed upon by our company and the particular related party or parties.

Financial Instruments and Other Instruments

Our company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that our company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Proposed Transactions

On July 28, 2014, our company entered into an arrangement agreement (the "Arrangement Agreement") with Sheslay Mining Inc. ("Spinco"), a private British Columbia company in which our company currently holds a nominal interest. Pursuant to the Arrangement Agreement, and at the effective time of the proposed plan of arrangement, each issued and outstanding common share of our company will be exchanged for one new common share and one Class 1 Reorganization share. All of the Class 1 Reorganization shares will be transferred by the shareholders of our company to Spinco, in exchange for 800,000 common shares of Spinco to be issued to the shareholders of our company on a pro-rata basis. Finally, our company will redeem all of the Class 1 Reorganization shares by the transfer to Spinco of $20,000 working capital (the "Plan of Arrangement"). Completion of the Plan of Arrangement was subject to certain conditions, including shareholder approval, the approval of the Supreme Court of British Columbia and the TSX Venture Exchange, all of which were received subsequent to July 31, 2014.

On July 28, 2014, our company entered into a non-binding letter of intent (the "LOI") with Spinco and Alliance Growers Corp. ("Alliance"), a private British Columbia company. The LOI contemplates that subsequent to and subject to the completion of the Plan of Arrangement, Spinco will negotiate a definitive acquisition agreement with Alliance in respect of a subsequent transaction (the "Subsequent Transaction") which would result in the business combination of Spinco and Alliance to form a new company ("Newco"). Upon completion of the Subsequent Transaction, Newco would be a reporting issuer in the provinces of British Columbia and Alberta and would undertake the business of Alliance.

Additional Disclosure for Venture Issuers without Significant Revenue

During the six months ended July 31, 2014 and 2013, our company incurred the following expenses:

	2014	**2013**
Capitalized acquisition costs	$5,131	$39,000
Operating expenses	$162,809	$51,271

Please refer to Note 6 in the financial statements for the six months ended July 31, 2014 for a description of the capitalized acquisition costs presented on a property-by-property basis.

Additional Disclosure of Outstanding Share Data

Common Shares

Our common shares are listed on the TSX Venture Exchange under the symbol “SRJ”. Our authorized share capital consists of an unlimited number of common shares without par value.

As at July 31, 2014 and September 26, 2014, we had 43,225,000 common shares issued and outstanding.

As at July 31, 2014, 3,000,000 common shares were held in escrow. Subsequent to July 31, 2014, 1,500,000 common shares were released from escrow. As at September 26, 2014, 1,500,000 common shares were held in escrow. The remaining 1,500,000 shares will be released on February 7, 2015.

Stock options

As at July 31, 2014 and September 26, 2014, our company had 3,850,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number	Exercise Price	Expiry Date
1,600,000	$0.05	April 30, 2015
2,200,000	$0.05	October 8, 2018
50,000	$0.05	June 4, 2019
3,850,000		

Share Purchase Warrants

As at July 31, 2014 and September 26, 2014, our company had 19,025,000 share purchase warrants outstanding. Each share purchase warrant entitled the holder the right to purchase one common share at an exercise price of $0.02 per share until February 3, 2017.

Risk Factors

An investment in our company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating our company and our business before making any investment decision in regards to the shares of our company's common stock. Our business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our company. Additional risks not presently known to us may also impair our business operations.

Risks Relating to our Financial Condition

We have had a history of losses and minimal revenue to date, which trend may continue and may negatively impact our ability to achieve our business objectives.

We have experienced net losses since inception, and expect to continue to incur substantial losses for the foreseeable future. As of July 31, 2014, our accumulated losses were $650,787 since inception. Our management expects the business to continue to experience negative cash flow for the foreseeable future and cannot predict when, if ever, our business might become profitable. Our company will require additional financing in order to conduct its future work programs on exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. If we are unable to raise funds on acceptable terms, we may not be able to execute our business plan, take advantage of future opportunities, or respond to competitive pressures or unanticipated requirements. This may seriously harm our business, financial condition and results of operations.

Our proposed operations require significant capital expenditures for which we may not have sufficient funding and if we do obtain additional financing, our existing shareholders may suffer substantial dilution.

We intend to make capital expenditures far in excess of our existing capital resources to acquire and explore our mineral properties. We intend to rely on external sources of financing to meet our capital requirements to continue acquiring, exploring and developing mineral properties and to otherwise implement our business plan. We plan to obtain such funding through the debt and equity markets, but we can offer no assurance that we will be able to obtain additional funding when it is required or that it will be available to us on commercially acceptable terms, if at all. In addition, any additional equity financing may involve substantial dilution to our then existing shareholders.

We have been the subject of a going concern opinion by our independent auditor who has expressed substantial doubt as to our ability to continue as a going concern.

Our independent auditor has added an explanatory paragraph to their audit report issued in connection with our annual audited financial statements for the year ended January 31, 2014 which states that our recurring losses from operations and the need to raise additional financing in order to execute our business plan raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustment that might result from the outcome of this uncertainty. Assurances cannot be given that adequate financing can be obtained to meet our capital requirements. If we are unable to generate profits and unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

Risks Related to our Business

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, we face a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that we intend to undertake on our property and any additional properties that we may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by us in the exploration of our property may not result in the discovery of mineral deposits. Any expenditures that we may make in the exploration of any other mineral property that we may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of our exploration do not reveal viable commercial mineralization, we may decide to abandon our property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that our exploration activities will result in the discovery of any quantities of mineral deposits on our current properties or any other additional properties we may acquire.

We intend to continue exploration on our current property and we may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. We can provide investors with no assurance that exploration on our current property, or any other property that we may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent us from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If we are unable to establish the presence of mineral deposits on our property, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

The potential profitability of mineral ventures depends in part upon factors beyond our control and even if we discover and exploit mineral deposits, we may never become commercially viable and we may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond our control, including the existence and size of mineral deposits in the properties we explore, the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in us not receiving an adequate return on invested capital. These factors may have material and negative effects on our financial performance and our ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on us.

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent us from conducting planned activities or may increase our costs of doing so, which would have material adverse effects on our business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages that we may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect our ability to carry on our business.

Title to mineral properties is a complex process and we may suffer a material adverse effect in the event one or more of our property interests are determined to have title deficiencies.

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. We cannot give an assurance that title to our property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that we do not have title to one or more of our properties could cause us to lose any rights to explore, develop and mine any minerals on that property, without compensation for our prior expenditures relating to such property.

We have a very small management team and the loss of any member of our team may prevent us from implementing our business plan in a timely manner.

We have two executive officers and a limited number of additional consultants upon whom our success largely depends. We do not maintain key person life insurance policies on our executive officers or consultants, the loss of which could seriously harm our business, financial condition and results of operations. In such an event, we may not be able to recruit personnel to replace our executive officers or consultants in a timely manner, or at all, on acceptable terms.

Because our property interests may not contain mineral deposits and because we have never made a profit from our operations, our securities are highly speculative and investors may lose all of their investment in our company.

Our securities must be considered highly speculative, generally because of the nature of our business and our stage of operations. We currently have exploration stage property interests which may not contain mineral deposits. We may or may not acquire additional interests in other mineral properties but we do not have plans to acquire rights in any specific mineral properties as of the date of this report. Accordingly, we have not generated significant revenues nor have we realized a profit from our operations to date and there is little likelihood that we will generate any revenues or realize any profits in the short term. Any profitability in the future from our business will be dependent upon locating and exploiting mineral deposits on our current properties or mineral deposits on any additional properties that we may acquire. The likelihood that any mineral properties that we may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. We may never discover mineral deposits in respect to our current properties or any other area, or we may do so and still not be commercially successful if we are unable to exploit those mineral deposits profitably.

As we face intense competition in the mineral exploration and exploitation industry, we will have to compete with our competitors for financing and for qualified managerial and technical employees.

Our competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than us. As a result of this competition, we may have to compete for financing and be unable to acquire financing on terms we consider acceptable. We may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If we are unable to successfully compete for financing or for qualified employees, our exploration programs may be slowed down or suspended, which may cause us to cease operations.

Our future is dependent upon our ability to obtain financing and if we do not obtain such financing, we may have to cease our exploration activities and investors could lose their entire investment.

There is no assurance that we will operate profitably or will generate positive cash flow in the future. We require additional financing in order to proceed with the exploration and development of our property. We will also require additional financing for the fees we must pay to maintain our status in relation to the rights to our properties and to pay the fees and expenses necessary to operate as a public company. We will also need more funds if the costs of the exploration of our mineral claims are greater than we anticipated. We will require additional financing to sustain our business operations if we are not successful in earning revenues. We will also need further financing if we decide to obtain additional mineral properties. We currently do not have any arrangements for further financing and we may not be able to obtain financing when required. Our future is dependent upon our ability to obtain financing. If we do not obtain such financing, our business could fail and investors could lose their entire investment.

Complying with environmental and other government regulations could be costly and could negatively impact our production.

Our business is governed by numerous laws and regulations at various levels of government. These laws and regulations govern the operation and maintenance of our facilities, the discharge of materials into the environment and other environmental protection issues. Such laws and regulations may, among other potential consequences, require that we acquire permits before commencing mining operations and restrict the substances that can be released into the environment.

Under these laws and regulations, we could be liable for personal injury, clean-up costs and other environmental and property damages, as well as administrative, civil and criminal penalties. Prior to commencement of mining operations, we may secure limited insurance coverage for sudden and accidental environmental damages as well as environmental damage that occurs over time. However, we do not believe that insurance coverage for the full potential liability of environmental damages is available at a reasonable cost. Accordingly, we could be liable, or could be required to cease production on properties, if environmental damage occurs.

The costs of complying with environmental laws and regulations in the future may harm our business. Furthermore, future changes in environmental laws and regulations could result in stricter standards and enforcement, larger fines and liability, and increased capital expenditures and operating costs, any of which could have a material adverse effect on our financial condition or results of operations.

Risks Related to our Common Stock

Because we do not intend to pay any cash dividends on our shares of common stock in the near future, our shareholders will not be able to receive a return on their shares unless they sell them.

We intend to retain any future earnings to finance the development and expansion of our business. We do not anticipate paying any cash dividends on our common stock in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and if dividends are paid, there is no assurance with respect to the amount of any such dividend. Unless we pay dividends, our shareholders will not be able to receive a return on their shares unless they sell them.

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our ability to continue operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. Because a significant portion of our operations have been and will be financed through the sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our operations. Such reductions may force us to reallocate funds from other planned uses and may have a significant negative effect on our business plan and operations, including our ability to develop new products and continue our current operations. If our stock price declines, we can offer no assurance that we will be able to raise additional capital or generate funds from operations sufficient to meet our obligations. If we are unable to raise sufficient capital in the future, we may not be able to have the resources to continue our normal operations.

The market price for our common stock may also be affected by our ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of our common stock.

Additional Information

We file annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at http://www.sedar.com.