GTO RESOURCES INC.

(the “Company”)

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
THREE MONTH PERIOD ENDED JULY 31, 2012

The following Management’s Discussion and Analysis (“MD&A”), prepared as of September 5, 2012, should be read together with the condensed interim financial statements for the three month period ended July 31, 2012 and the related notes attached thereto. Accordingly, these financial statements and MD&A include the results of operations and cash flows for the year ended April 30, 2012 and the reader must be aware that historical results are not necessarily indicative of the future performance. All amounts are reported in Canadian dollars. The aforementioned documents can be accessed on the SEDAR web site www.sedar.com.

Unless otherwise stated, financial results are now being reported in accordance with International Financial Reporting Standards (“IFRS”). As a result, accounting policies, presentation, financial statement captions and terminology used in this discussion and analysis differ from those used in previous financial reporting.

The MD&A contains the term cash flow from operations, which should not be considered an alternative to, or more meaningful than, cash flows from operating activities as determined in accordance with IFRS as an indicator of the Company’s performance. The Company’s determination of cash flow from operations may not be comparable to that reported by other companies. The reconciliation between profit or loss and cash flows from operating activities can be found in the statement of cash flows.

Certain statements contained in this management discussion and analysis may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the receipt of required regulatory approvals, the availability of sufficient capital, the estimated cost and availability of funding for the continued exploration and development of the Company's prospects, political and economic conditions, commodity prices and other factors.

Description of Business

GTO Resources Inc. (the “Company”) was incorporated on May 10, 2011 under the Business Corporations Act (British Columbia). Pursuant to an arrangement agreement between Firebird Resources Inc. (“Firebird”) and the Company dated May 12, 2011, the Company acquired all of Firebird’s interest in and to the Robert Creelman Property and the Hyman Porter Property located in Ontario, in exchange for common shares of the Company (the “Arrangement”). Pursuant to the terms of the agreement dated July 27, 2011, being the effective date of the Arrangement, each Firebird shareholder received one new common share in the capital of Firebird and one half of a common share of the Company for each Firebird common share then held. Pursuant to the Arrangement, each whole warrant issued has (i) an exercise price equal to the existing exercise price of the Firebird warrants exchanged, and (ii) a term equal to the term remaining on the Firebird warrants exchanged. The common shares of the Company commenced trading on the TSX Venture Exchange under the stock symbol “GTR” effective July 28, 2011.

The Company’s registered office is located at Suite 1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC.

Description of Business (continued)

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at July 31, 2012, the Company had an accumulated deficit of $287,498 and has no source of revenue. The continued operations of the Company are dependent on its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that it has sufficient working capital to meet the Company's liabilities and commitments as they become due. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company's Board of Directors is comprised of Thomas R. Tough (President and CEO) Glen Macdonald and Ken Ralfs.

Overall Performance and Results of Operations

The following discussion of the Company's financial performance is based on the unaudited condensed interim financial statements for the three month period ended July 31, 2012:

Overall Performance

At July 31, 2012, the Company reported total assets of $1,039,743, including cash of $564,629, exploration and evaluation assets of $456,358 and amounts receivable of $18,756.

As at July 31, 2012, the Company had liabilities of $620,672, this amount is comprised of a convertible loan payable of $582,772 and accounts payable and accrued liabilities of $37,900.

Results of Operations

During the three month period ended July 31, 2012, the Company incurred operating expenses of $40,779. The Company recorded a net loss of $78,106 for the three month period ended July 31, 2012. In addition to operating expenses, the Company incurred an interest expense of $10,858, relating to accrued interest from its outstanding loan payable and an accretion of discount on its' convertible debenture of $26,469.

The Company did not record revenues during the three month period ended July 31, 2012.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The accompanying financial statements do not include any adjustments, which could be material in nature, relating to the recoverability and classification of recorded asset amounts and the classification of liabilities that might be necessary should the Company be unable to continue as a going concern. For further information, refer to Note 1 of the audited financial statements.

Liquidity and Capital Resources

As at July 31, 2012, the Company had a cash balance of $564,629. The Company had working capital of $545,485 at July 31, 2012 and a deficit of $287,498.

Exploration and Evaluation Assets

	Hyman Porter Property, Ontario $	Roberts Creelman Property, Ontario $	Total $
Acquisition costs:			
Balance, April 30, 2012	206,892	206,892	413,784
Additions	1,500	1,500	3,000
Balance, July 31, 2012	208,392	208,392	416,784
Exploration costs:			
Balance, April 30, 2012	5,874	21,183	27,057
Geological consulting	12,517	–	12,517
Balance, July 31, 2012	18,391	21,183	39,574
	226,783	229,575	456,358

On July 27, 2011, the Company acquired a 100% interest in 34 claim units located in the Roberts and Creelman Townships ("RCU") and a 100% interest in 70 claim units located in the Hyman and Porter Townships ("HPU") of Sudbury, Ontario in a Plan of Arrangement with Firebird for 22,201,907 common shares of the Company with a fair value of $228,386 and issuance of 18,238,250 share purchase warrants with a fair value of $168,294.

The Company is obligated to pay the optionor minimum royalties of $12,000 per annum, and upon commencement of commercial production in RCU or HPU, the Company will pay a royalty payment of $0.20 per pound of uranium produced and sold. The Company has an option to purchase and cancel the royalty payment at any time in exchange for $1,200,000.

In July 2011, the Company signed an option agreement with Jonpol Minerals Inc. ("Jonpol"), a non-related party, for a 50% working interest in HPU in exchange for a cash payment of $50,000 by December 31, 2011, $100,000 by December 31, 2012, and $100,000 by December 31, 2013 as well as incur minimum exploration expenditures of $25,000 by December 31, 2011, $50,000 by December 31, 2012, and $50,000 by December 31, 2013. Jonpol may elect to issue Jonpol shares to the Company in lieu of the cash payments.

Selected Financial Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	IFRS April 30, 2012
Total revenue	–
Net loss before other items	(98,446)
Net loss for the period	(209,392)
Basic and diluted earnings (loss) per share	(0.01)
Total assets	1,105,433
Total long-term liabilities	563,555

Summary of Quarterly Results

	IFRS July 31, 2012	IFRS April 30, 2012	IFRS January 31, 2012	IFRS October 31, 2012
Net loss for the period	(78,106)	(113,570)	31,934	(63,848)
Basic and diluted loss per share	0.00	0.00	0.00	0.00

	IFRS July 31, 2011
Net loss for the period	(40)
Basic and diluted loss per share	0.00

Share Capital

Authorized: Unlimited common shares without par value
Unlimited first preferred shares without par value

Balance, April 30, 2012	23,801,907
Issued	–
Balance Outstanding at July 31, 2012	23,801,907

(a) On July 27, 2011, the Company issued 22,201,907 common shares with a fair value of $228,386 to the shareholders of Firebird in exchange for mineral properties pursuant to the Arrangement.

Share Capital (continued)

(b) On December 30, 2011, the Company issued 1,600,000 flow-through common shares at $0.06 per share for proceeds of $96,000. The Company determined that there was no flow-through share premium.

Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, April 30, 2012	18,238,250	0.11
Issued	–	–
Balance, July 31, 2012	18,238,250	0.11

As at July 31, 2012, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price $	Expiry date
865,000	1.00	December 30, 2012
48,250	1.00	January 4, 2013
1,200,000	0.25	September 25, 2014
11,000,000	0.05	November 13, 2014
5,125,000	0.05	January 8, 2015
18,238,250		

Stock Options

The Company does not have any options, rights or other derivatives outstanding at July 31, 2012 and is not subject to any escrow agreements or other restrictions on its shares.

Accounting Policies and Estimates

The significant accounting policies of the Company are disclosed in Note 2 to the financial statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, and revenues and expenses. The Company's management reviews its estimates regularly.

Financial Instruments

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at July 31, 2012 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, July 31, 2012 $
Cash and cash equivalents	564,629	–	–	564,629

The fair values of other financial instruments, which include amounts receivable, loan receivable, and accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and amounts receivable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consists of GST/HST receivable which is due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

The Company does not have any significant foreign exchange rate risk.

(d) Interest Rate Risk

The Company does not have any significant interest rate risk.

(e) 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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital, share-based payment reserve, equity component of convertible debt, and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements.

Legal Proceedings

The Company is not involved in any legal proceedings.

Management's Report on Internal Controls over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

Forward-Looking Statements

This MD&A contains forward-looking information (within the meaning of Canadian securities laws) about the Company and its future plans. Forward-looking information reflects management's expectations or beliefs regarding future events rather than historical facts, and in this MD&A include, without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "scheduled", "believes", or variations of such words and phrases or statements that certain actions, events or results "potentially", "may", "could", "would", "might" or "will" be taken, occur or be achieved. There can be no assurance that forward-looking statements will prove to be accurate, and actual results could differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. Important factors that could cause actual results to differ materially from the Company's expectations include, among others, risks related to the ability of the Company to obtain necessary financing and adequate insurance; the economy generally; fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (e.g., diesel fuel and electricity); changes in interest rates; disruption to the credit markets and delays in obtaining financing; the possibility of cost overruns or unanticipated expenses; employee relations. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Reference to the section entitled "Risks and Uncertainties" immediately preceding this section.

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