FAR RESOURCES LTD.
FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
PERIOD ENDED JUNE 30, 2017

This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as August 29, 2017 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the period ended June 30, 2017 of Far Resources Ltd. ("Far" or the "Company") with the related notes thereto. Those unaudited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Readers may also want to refer to the March 31, 2017 audited financial statements and the accompanying notes. All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted.

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from www.sedar.com.

Disclaimer

Except for statements of historical facts relating to the Company, this MD&A contains "forward-looking statements" within the meaning of applicable securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not intend and does not assume any obligation to update these forward-looking statements, except as required by applicable securities laws.

Forward-looking statements may include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of future exploration programs, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of transactions and future listings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this MD&A includes, among other things, disclosure regarding: the Company's mineral properties as well as its future outlook, statements with respect to the success of exploration activities, permitting timelines, costs and expenditure requirements for additional capital, regulatory approvals, as well as the information under the headings "Overall Performance", "Liquidity" and "Capital Resources".

In making the forward looking statements in this MD&A, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that the timing, costs and results of the Company's recommended exploration programs on its Winston, Tchentlo Lake, Zoro I and Manitoba Lithium properties are consistent with the Company's current expectations; that the Company receives regulatory and governmental approvals and permits for its properties on a timely basis; that the Company is able to obtain financing for its properties on reasonable terms and on a timely basis; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors may include, among others, actual results of current and proposed exploration activities; actual results of reclamation activities; future metal prices; accidents, labor disputes, adverse weather conditions, unanticipated geological formations and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of exploration activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

The technical information in this MD&A has been reviewed by Lindsay Bottomer, P. Geo., a director of the Company and a qualified person as defined by NI 43-101.

1.1 Date

This MD&A is dated as of August 29, 2017.

1.2 Overall Performance

Winston Property

During the year ended March 31, 2015, the Company entered into an option agreement with Redline Minerals Inc. ("Redline"), Redline Mining Corporation ("RMC"), and Southwest Land & Exploration Inc. ("SWLE") (collectively, the "Optionors") to acquire up to an 80% interest in the Winston Property located in Sierra County, New Mexico, U.S.A.

During the years ended March 31, 2016 and 2017, the Company amended the option agreement with the Optionors to acquire an initial 50% interest upon completion of the following:

a) Cash payment of non-refundable deposits of $35,000 (paid);
b) Cash payments of $81,250 (paid);
c) Cash payment of $13,750 on or before November 15, 2014 (paid);
d) Share issuance of 300,000 common shares of the Company on January 15, 2015 (issued);
e) Cash payments of $120,000 as follows;
    1. Cash payment of $40,000 on or before February 28, 2016 (paid);
    2. Cash payment of $40,000 on or before June 1, 2016 (paid);
    3. Cash payment of $40,000 on or before June 1, 2017 (see below);
f) Issuance of 2,500,000 common shares (1,500,000 shares issued) of the Company as follows;
    1. Issue 500,000 common shares on or before October 17, 2014 (issued);
    2. Issue 500,000 common shares on or before October 17, 2015 (issued);
    3. Issue 500,000 common shares on or before October 17, 2016; (issued)
    4. Issue 500,000 common shares on or before October 17, 2017 (see below);
    5. Issue 500,000 common shares on or before October 17, 2018 (see below); and
g) Incurring exploration expenditures totaling $300,000 due on or before October 17, 2017.

The agreement was also amended to include a further option to acquire up to an additional 30% (80% in total interest.

In exchange for the amendment of the option agreement, the Company issued 100,000 common shares at a fair value of $3,000 on February 26, 2016.

During to the period ended June 30, 2017, the Company further amended the option agreement with the Optionors to acquire a 100% interest upon completion of the following:

a) Cash payment of non-refundable deposits of $10,000 (paid);
b) Cash payment of $40,000 (paid);
c) Issuance of 2,500,000 common shares of the Company (issued and valued at $275,000); and
d) Issuance of a $50,000 non-interest bearing promissory note which is repayable on August 24, 2017.

During the year ended March 31, 2017, the Company made a $15,000 cash payment to the original vendors of the Winston Property. The Company will be required to make cash payments totaling USD 795,375 to the original vendors of the Winston Property.

Tchentlo Lake

The Company staked various claims in the Tchentlo Lake Property (the "Property") located approximately 100 kilometres northwest of Fort St. James, British Columbia. The Company holds a 100% interest in the Tchentlo Lake Property comprised of two mineral tenures in two separate claim blocks.

In June 2014, the Company entered into an option agreement with Alchemist Mining Inc. ("Alchemist"), a corporation in which the CEO is a family member of the Company's CEO, whereby Alchemist may acquire up to 80% undivided interest in the Company's Tchentlo Lake Property.

During the year ended March 31, 2016, the option agreement with Alchemist was amended. As a result, the amount of expenditures in exploration activities on the Property which shall be incurred by Alchemist on or before August 20, 2015 was reduced from $25,000 to $nil and the number of Alchemist shares which shall be issued to the Company on or before August 20, 2015 was reduced from 150,000 common shares of Alchemist to nil.

During the year ended March 31, 2017, the option agreement with Alchemist was further amended. As a result, the amount of expenditures in exploration activities on the Property which shall be incurred by Alchemist on or before August 20, 2016 was reduced from $80,000 to $nil, the number of Alchemist shares which shall be issued to the Company on or before August 20, 2016 was reduced from 250,000 common shares of Alchemist to 100,000 and the cash to be paid to the Company on or before August 20, 2016 was reduced from $20,000 to $5,000.

a) Paying $45,500 to the Company as follows;
    i. Cash payment of $5,500 within 5 days of the date which Alchemist completes a private placement financing (received);
    ii. Cash payment of $10,000 on or before September 8, 2015 (received);
    iii. Cash payment of $5,000 on or before August 20, 2016 (received);
    iv. Cash payment of $25,000 on or before August 20, 2017;
b) Issuing 200,000 common shares of Alchemist to the Company as follows;
    i. Issue 100,000 common shares within 5 days of the date which Alchemist completes a private placement financing (received on August 20, 2014 valued at $5,500);
    ii. Issue 100,000 common shares on or before August 20, 2016 (received and valued at $4,000);
c) Incurring $175,000 of expenditures in exploration activities on the Property as follows;
    i. Incurring exploration expenditures in the amount of $175,000 on or before August 20, 2017.

Upon acquisition of the undivided 51% interest in the Property, Alchemist can choose to exercise the following options:

a) form a joint venture with the Company, wherein Alchemist holding a 51% Participating Interest and the Company holding a 49% Participating Interest; and
b) acquire an additional 29% interest in the Property, increasing its interest to 80% (the "Bump-Up Right") by:

i. Paying $75,000 to the Company (cash payment of $25,000 on or before August 20, 2018 and cash payment of $50,000 on or before August 20, 2019);
ii. Issuing 500,000 common shares of Alchemist to the Company (issuing 250,000 common shares on or before August 20, 2018 and issuing 250,000 common shares on or before August 20, 2019); and
iii. Incurring an additional $575,000 in expenditures on the Property (incurring exploration expenditures in the amount of $225,000 on or before August 20, 2018 and incurring exploration expenditures in the amount of $350,000 on or before August 20, 2019).

In the event Alchemist exercises the Bump-Up Right, a joint venture will be formed with Alchemist holding an 80% Participating Interest and the Company holding a 20% Participating Interest in the Property.

The Company will retain a 2% net smelter royalty on the Property, of which Alchemist may purchase 1% on or before August 20, 2021 for $500,000.

All share issuances pursuant to the agreement will be subject to a four-month and one day statutory hold period.

Zoro I

On April 28, 2016, the Company entered into an agreement (the "Agreement") to option the Zoro I claim from Top Notch Marketing Ltd., R. Ross Blusson and Double-U-Em Investments Ltd. (the "Optionors"), located in Manitoba. Under the terms of the Agreement, the Company can acquire a 100% interest in and to the Zoro I Claim upon meeting the following requirements:

a) During the year ended March 31, 2017, the Company paid $50,000 and issued 1,000,000 common shares;
b) During to period ended June 30, 2017, the Company issued 6,000,000 common shares (issused and valued at $540,000) and issued $100,000 in non-interest bearing promissory notes that are repayable on May 10, 2018.

In addition, the Company issued 1,000,000 shares to a finder for introducing the Company to the Optionors.

Manitoba Lithium Property

On August 10, 2016, the Company entered into an option agreement with Strider Resources Limited ("Strider") to acquire a 100% interest in and to all lithium-bearing pegmatite dykes on three contiguous claims in Manitoba (the "Property"). The Option agreement supersedes and replaces the letter of understanding and sets the terms which Far can acquire a 100% interest in the property subject to a 2% NSR (the "First Option") and further sets out how the Company can acquire an undivided fifty percent interest in the NSR, being one-half of the NSR or a 1% Net Smelter Return from the Optionors (the "Second Option").

The Company may exercise the First Option by making the following cash payments and common share issuances to Strider:

a) Upon signing the Option Agreement the Company will pay to Strider $50,000 (paid) in cash and $50,000 in shares of Far Resources (issued);

b) on or before first anniversary date of the Definitive Agreement the Company will pay to Strider $50,000 in cash and $50,000 in shares of Far Resources (issused);

c) on or before second anniversary date of the Definitive Agreement the Company will pay to Strider $75,000 in cash and $75,000 in shares of Far Resources; and

d) on or before third anniversary date of the Definitive Agreement the Company will pay to Strider $75,000 in cash and $75,000 in shares of Far Resources.

All shares issued under the Option Agreement will be subject to a four month and one day statutory hold period from the date of issuance.

Provided the Company has exercised the First Option, Far Resources may exercise the Second Option by making a $1,000,000 cash payment to Strider, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production.

During the option period, Far Resources will be solely responsible for carrying out and administering exploration, development and mining work on the Property and for maintaining the Property in good standing.

1.3 Summary of Quarterly Results

A summary of selected financial information for the eight most recently completed quarters is set out below and should be read in conjunction with the Company's financial statements and related notes for such periods.

	Three Months Ended June 30, 2017	Three Months Ended March 31, 2017	Three Months Ended December 31, 2016	Three Months Ended September 30, 2016
Revenue	$ -	$ -	$ -	$ -
Expenses	$ 350,792	$ 411,379	$ 276,700	$ 347,065
Total comprehensive loss	$ 332,991	$ 330,616	$ 358,168	$ 381,065
Loss per share – basic and diluted (1)	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)
Total assets	$ 2,795,875	$ 1,586,415	$ 1,497,872	$ 1,141,840
Total liabilities	$ 429,803	$ 394,091	$ 342,013	$ 275,212
Total equity (deficit)	$ 2,366,071	$ 1,192,324	$ (1,155,859)	$ (2,359,732)
Weighted average number of common shares outstanding	64,442,785	58,715,376	53,155,259	46,383,222

	Three Months Ended June 30, 2016	Three Months Ended March 31, 2016	Three Months Ended December 31, 2015	Three Months Ended September 30, 2015
Revenue	$ -	$ -	$ -	$ -
Expenses	$ 195,287	$ 83,679	$ 47,366	$ 15,909
Total comprehensive loss	$ 193,287	$ 82,180	$ 50,366	$ 15,909
Loss per share – basic and diluted (1)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Total assets	$ 1,213,857	$ 308,506	$ 275,461	$ 278,720
Total liabilities	$ 357,223	$ 376,475	$ 303,500	$ 287,286
Total equity (deficit)	$ (1,978,667)	$ (67,969)	$ (28,039)	$ (8,566)
Weighted average number of common shares outstanding	31,727,134	23,769,700	23,016,797	21,666,562

(1) Based on the weighted average number of commom shares outstanding during the period.

For the three month period ended June 30, 2017

The Company earned no revenue and had a comprehensive loss of $332,991 (2016 - $193,287).

Total expenses were $350,792 (2016 – $195,287), comprised of the following significant items:

- Investor relations of $52,848 (2016 - $13,050) were related to general promotional costs associated with the financings in the current period;
- Management fees of $36,000 (2016 - $18,000) were related to director fees and administrative fees paid or accrued. The increase is a result of new management compensation plans put in place; and
- Share-based payments of $70,813 (2016 - $Nil) were related to stock options granted to management, directors, and consultants.

- Gain on shares for debt of $17,801 (2016 - $Nil) were primiarly related to settlement of management compensations for the prior year.

1.4 Liquidity

The Company has not generated any revenue from operations and to date has relied entirely upon the sale, by way of private placement, of Common Shares and Seed Units to carry on its business. See Item 1.6 "Capital Resources" below.

The Company's financial statements have been prepared on a going concern basis and assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing.

		June 30, 2017		March 31, 2017
Working capital (deficiency)	$	116,027	$	(6,122)
Deficit	$	(3,381,507)	$	(3,048,516)

Net cash used in operating activities for the period ended June 30, 2017 was $105,379 compared to $203,427 used during the period ended June 30, 2016 and consists primarily of changes in non-cash working capital items.

Net cash used in investing activities for the period ended June 30, 2017 was $96,907 compared to $120,509 during the period ended June 30, 2016 and consists primarily of acquisition costs and property expenditures during the period.

Net cash provided by financing activities for the period ended June 30, 2017 was $387,000 compared to $873,390 provided during the period ended June 30, 2016. The increase was due to proceeds from private placement financings and warrants exercised during the period.

The Company will need to obtain additional debt/equity financing in order to carry out its proposed exploration programs on its properties and satisfy its business and property commitments for the ensuing year. The Company will have to rely on equity or debt financing from arm's length parties to fund its operations for the upcoming year. The Company may find it necessary to issue shares to acquit some of its existing debt obligations.

1.5 Capital Resources

During to the period from April 1, 2017 to August 29, 2017, the Company:

- issued 1,000,000 shares for services valued at $100,000;
- issued 1,322,245 shares valued at $133,925 to settle $151,726 of debt with related parties and non-related parties, recognizing a gain on shares for debt of $17,801.issued 1,000,000 shares for services valued at $100,000;
- issued 8,500,000 common shares with a fair value of $815,444 for the acquisition of Zoro I and Winston properties;
- completed a private placement financing on May 29, 2017 of 3,500,000 units at a price of $0.09 per unit for gross proceeds of $315,000. Each unit in the private placement consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.15 for a period of one year;
- issued 200,000 common shares as a result of warrants exercised for a gross proceeds of $20,000;
- issued 304,645 shares for services and settlement of debt with related and non-related parties;

- issued 294,118 common shares pursuant to the acquisition of Manitoba Lithium;
- issued 1,000,000 common shares upon the exercise of options for the gross proceeds of $95,000;
- issued 8,290,000 common shares upon the exercise of warrants for the gross proceeds of $829,000, of which $50,000 was received in advance; and
- issued 1,101,000 common shares upon the exercise of agent warrants for the gross proceeds of $110,100.

Contractual Obligations

Other than miscellaneous stock option and consulting agreements, the Company does not presently have any other material contractual obligations. See Item 1.8 "Transactions with Related Parties".

As at June 30, 2017, the Company had no long-term debt.

1.6 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements

1.7 Transactions with Related Parties

During the period ended June 30, 2017, the Company:

Paid or accrued to:	Nature of transaction	For the three months ended June 30, 2017	For the three months ended June 30, 2016
Key management personnel:			
Directors	Management fees/consulting fees	$ 6,000	$ 3,000
CEO	Management fees/consulting fees	30,000	15,000
		$ 36,000	$ 18,000
A firm of which the CFO is a partner	Professional fees	$ -	$ 8,000
A company owned by the CFO	Professional fees	8,000	-

During the period ended June 30, 2017, the Company incurred $54,299 (2016 - $Nil) in share-based payment with key management personnel.

The amounts due to related parties included in accounts payable and accrued liabilities are as follows:

	As at June 30, 2017	As at March 31, 2017
Due to a firm of which the CFO of the Company is a partner	$ 86,639	$ 86,639
Due to a company owned by the CFO of the Company	8,477	-
Due to directors of the Company	66,297	133,297
	$ 161,966	$ 219,936

1.8 Proposed Transactions

Save as disclosed herein, there are no asset or business acquisitions or dispositions currently being proposed by the directors or senior management of the Company that will have a material effect on the financial condition, results of operations or cash flows of the Company.

1.9 New Accounting Standards and Amendments to Existing Standards

New accounting standards and recent pronouncements

Please refer to the condensed interim consolidated financial statemetns on www.sedar.com.

1.10 Financial and Other Instruments

Capital and Financial Risk Management

Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. capital stock, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue Common Shares through private placements. The Company is not exposed to any externally imposed capital requirements.

The Company's overall strategy remains unchanged from fiscal year 2017.

Fair value

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 instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's long term investment constitutes a Level 1 fair value measurement.

The carrying value of cash, short-term loan payable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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 a counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2017, the Company had a cash balance of $497,081 (March 31, 2017 – $312,367) to settle current liabilities of $429,803 (March 31, 2017 – $394,091). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and 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, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's cash does not have significant exposure to interest.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency. As at June 30, 2017 and 2016, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

(c) Price risk

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

1.11 Other MD&A Requirements

Disclosure of Outstanding Security Data

As at August 29, 2017, the following shares and options were issued and outstanding:

	Issued & Outstanding	Authorized
Share capital		
- Common	86,325,630	unlimited
Options	5,288,000	
Warrants	3,840,000	
Agent's warrants	300,000	
Fully Diluted:	96,753,630	

Except as disclosed above, there are no other options, warrants or other rights to acquire common shares of the Company outstanding.

Additional Disclosure for Junior Issuers

The Company requires additional funds to cover the estimated general and administrative expenses. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. See "Risks and Uncertainties" below.

Risks and Uncertainties

Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the current lack of any market for the Company's securities and the present intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to the Prospectus which can be assessed on the SEDAR website at **www.sedar.com**.