GIDEON CAPITAL CORP.

(a Capital Pool Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED MARCH 31, 2013

Introduction

This Management's Discussion and Analysis ("**MD&A**") is dated July 29, 2013 unless otherwise indicated and should be read in conjunction with the audited consolidated financial statements of Gideon Capital Corp. (the "**Company**") for the year ended March 31, 2013 and period from June 15, 2011 (date of incorporation) to March 31, 2012, and the related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and IFRS Interpretations Committee ("**IFRIC**"). In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the periods presented are not necessarily indicative of the results that may be expected for any future period.

Further information about the Company and its operations can be obtained from the offices of the Company or from **www.sedar.com**.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of the Company to complete a Qualifying Transaction; the ability of the Company to successfully merge its business with a potential Qualifying Transaction target company or asset, the Company's ability to meet its working capital needs at the current level for the next twelve-month period; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include those risk factors listed herein and in the Company's prospectus dated December 1, 2011. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions that may prove to be incorrect.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Ontario) on June 15, 2011. The authorized share capital of the Company consists of an unlimited number of common shares, without nominal or par value.

The Company's head office and registered and records office address is 36 Lombard Street, Suite 700, Toronto, Ontario, Canada M5C 2X3.

The Company's financial year end is March 31.

The Company is classified as a Capital Pool Company ("**CPC**") as defined in Policy 2.4 – *Capital Pool Companies* ("**Policy 2.4**") of the TSX Venture Exchange ("**Exchange**"). The Company has not commenced commercial operations and has no assets other than cash, sundry receivable, prepaid expenses and deposits, and loans receivable. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a transaction where the Company acquires significant assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means (a "**Qualifying Transaction**"). Any proposed Qualifying Transaction must be accepted by the Exchange.

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or delist the Company's shares from trading.

The Company has not conducted commercial operations and it is focused on the identification and evaluation of businesses or assets to acquire. Until Completion of the Qualifying Transaction (as such term is defined in Policy 2.4), the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a Qualifying Transaction. Except as described in the Company's prospectus dated December 1, 2011 in connection with its initial public offering (the "**Offering**"), funds raised pursuant to the issuance of shares will be utilized only for the identification and evaluation of potential Qualifying Transactions and, to the extent permitted by Policy 2.4, for general and administrative expenses.

On June 1, 2012, the Company entered into an amalgamation agreement (the "**Amalgamation Agreement**") with Monterra S.A. ("**Monterra**"). The transactions contemplated in the Amalgamation Agreement, once completed, would have constituted the Company's Qualifying Transaction, pursuant to Policy 2.4 (the "**Monterra QT**").

As part of the proposed Monterra QT, the Company advanced to Monterra (i) $25,000 on March 31, 2012 as an unsecured loan (the "**Unsecured Loan**") which matured on March 31, 2013, and (ii) $225,000 on May 1, 2012 as a secured loan (the "**Secured Loan**") which matured on May 31, 2013. The Secured Loan is secured by a pledge agreement dated May 1, 2012 made between the parties that pledge 99.98% of the issued and outstanding shares of Terrasources Minerals S.A., a wholly-owned Ecuadorian subsidiary of Monterra, as security. Monterra is required to repay the Company the outstanding amount of the secured loan of $239,625 (which includes interest accrued up to May 7, 2013) and the outstanding amount of the unsecured loan of $26,250. The parties are negotiating the terms of such repayment. As at March 31, 2013, the Company assessed the full recoverability of the loans, including an assessment of the security on the secured loan, and determined the loans receivable to be uncollectible. As such, the Company has taken an impairment charge on the loans receivable of $263,938, which is recorded in the consolidated statement of loss and comprehensive loss.

Transaction costs associated with the Monterra QT amounted to $162,709 at March 31, 2013.

On May 7, 2013, the Company announced the termination of the Amalgamation Agreement between the Company and Monterra for the acquisition of 100% of the common shares of Monterra. Accordingly, the common shares of the Company resumed trading on the Exchange at the opening of the market on May 9, 2013.

On July 12, 2013, the Company entered into a letter of intent dated July 12, 2013 (the "**LOI**") for the arm's length acquisition of 100% of the common shares of Bathurst Resources Corp. ("**Bathurst**"). Pursuant to the terms of the LOI and subject to completion of certain conditions precedent, including, satisfactory due diligence, execution of a definitive agreement, completion of a concurrent financing and receipt of all necessary regulatory and Exchange approvals, the proposed acquisition of Bathurst will qualify as the Company's Qualifying Transaction.

Bathurst, incorporated under the laws of the Province of Ontario, is a mining exploration company with an option on certain volcanic-hosted massive sulphides properties in the Province of New Brunswick.

The parties anticipate that All Group Financial Services Inc., subject to completion of satisfactory due diligence and execution of a definitive engagement, will complete a minimum $1,050,000 and a maximum $1,500,000 concurrent financing into either the Company or Bathurst.

Pursuant to the LOI, the parties shall use their reasonable commercial efforts to complete and be in a position to execute a definitive agreement relating to the Qualifying Transaction on or before November 30, 2013 (or such other date as may be mutually agreed to by the Company and Bathurst).

Discussion of Operations

As at March 31, 2013, the Company was a CPC and had no business operations. Until the completion of its Qualifying Transaction, corporate expenditures were restricted to the costs of raising equity financing, administrative costs to maintain the Company in good standing and those costs necessary to identify and evaluate and close potential Qualifying Transactions.

Selected Annual Information

June 15, 2011 (the date of incorporation) to March 31, 2012

The Company's net loss totaled $272,228 for the period from June 15, 2011 (the date of incorporation) to March 31, 2012, with basic and diluted loss per share of $0.07. Net loss principally related to the fair value ascribed to the stock options issued upon the close of the initial public offering ($171,787), professional and regulatory fees of $60,126 associated with accounting, auditing and legal services, and general and administrative costs of $40,315.

Year ended March 31, 2013

The Company's net loss totaled $530,450 for the year ended March 31, 2013, with basic and diluted loss per share of $0.05. Net loss principally related to transaction costs of $162,709, impairment of loans receivable of $263,938, professional and regulatory fees of $59,224 associated with accounting, auditing and legal services, and general and administrative costs of $59,076. This was offset by interest income of $14,497, $13,939 of which is attributable to accrued interest on the Company's loans receivable.

Selected Quarterly Information

A summary of selected information for each of the quarters presented below is as follows:

	Three Months Ended March 31, 2012	Three Months Ended December 31, 2011	Three Months Ended September 30, 2011	Period from Incorporation (June 15, 2011) to June 30, 2011
Expenses	$261,233	$3,650	$Nil	$7,345
Net loss and comprehensive loss	($261,233)	($3,650)	$Nil	($7,345)
Total assets	$600,326	$492,505	$Nil	$Nil
Net loss per share, basic and diluted	($0.07)	($0.00)	$0.00	($0.00)
Cash, end of period	$548,066	$471,255	$Nil	$Nil

	Three Months Ended March 31, 2013	Three Months Ended December 31, 2012	Three Months Ended September 30, 2012	Three Months Ended June 30, 2012
Expenses	$322,030	$157,372	$19,796	$45,749
Net loss and comprehensive loss	($318,182)	($153,491)	($15,889)	($42,888)
Total assets	$98,937	$366,761	$520,554	$549,100
Net loss per share, basic and diluted	($0.03)	($0.01)	($0.00)	($0.00)
Cash, end of period	$27,044	$27,615	$230,566	$271,244

Three months ended March 31, 2013

The Company's net loss totaled $318,182 for the three months ended March 31, 2013 with a basic and diluted loss per share of $0.03. The net loss is principally related to impairment of loans receivable, professional fees, sundry office and bookkeeping, and transaction costs and was offset by interest income of $3,848, $3,847 of which is attributable to accrued interest on the Company's loans receivable.

Three months ended December 31, 2012

The Company's net loss totaled $153,491 for the three months ended December 31, 2012 with a basic and diluted loss per share of $0.01. The net loss is principally related to professional fees, sundry office and bookkeeping, and transaction costs and was offset by interest income of $3,881, $3,788 of which is attributable to accrued interest on the Company's loans receivable.

Three months ended September 30, 2012

The Company's net loss totaled $15,889 for the three months ended September 30, 2012 with a basic and diluted loss per share of $0.00. The net loss is principally related to professional fees, sundry office and bookkeeping, and transaction costs and was offset by interest income of $3,907, $3,737 of which is attributable to accrued interest on the Company's loans receivable.

Three months ended June 30, 2012

The Company's net loss totaled $42,888 for the three months ended June 30, 2012 with a basic and diluted loss per share of $0.00. The net loss is principally related to professional fees, sundry office and bookkeeping expenditures and was offset by interest income of $2,861, $2,567 of which is attributable to accrued interest on the Company's loans receivable.

Three months ended March 31, 2012

The Company's net loss totaled $261,233 for the three months ended March 31, 2012 with a basic and diluted loss per share of $0.03. The net loss is principally related to the fair value ascribed to the fourth quarter option grant and costs associated with the preparation and filing of the Company's year-end financial statements.

Three months ended December 31, 2011

The Company's net loss totaled $3,650 for the three months ended December 31, 2011, with basic and diluted loss per share of $0.00. The net loss is principally related to sundry office and bookkeeping expenditures.

Three months ended September 30, 2011

No activity.

Period from Incorporation (June 15, 2011) to June 30, 2011

The Company's net loss totaled $7,345 for the period from Incorporation (June 15, 2011) to June 30, 2011, with basic and diluted loss per share of $0.00. The net loss is principally related to sundry office and bookkeeping expenditures.

Liquidity

At March 31, 2013, the Company had working capital of $46,804. The Company manages its capital structure and makes adjustments to it, based on available funds to the Company. Capital levels for CPCs are regulated pursuant to guidelines issued by the Exchange. These guidelines state that proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company not related to the evaluation and identification of a Qualifying Transaction. These restrictions apply until Completion of the Qualifying Transaction by the Company.

Capital Resources

The following financings have been completed by the Company:

Date	Gross Proceeds	Type of Transaction
October 24, 2011	$100,000	Private Placement
October 25, 2011	$400,000	Private Placement
January 27, 2012 (1)	$250,000	Initial Public Offering

(1) On January 27, 2012 the Company completed the Offering by issuing 2,500,000 common shares at a price of $0.10 per common share pursuant to Policy 2.4.

Off-Balance Sheet Arrangements

As of March 31, 2013, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Related Party Transactions

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year ended March 31, 2013, the Company paid $20,449 to a company in which the current CEO and CFO has significant ownership with regards to rent, bookkeeping and office support and $33,576 to the current and former CEO and CFO, with regards to reimbursement of travel expenses.

As at March 31, 2013, the statement of financial positions includes a balance of $2,567 due from a company controlled by the current CEO and CFO.

During the period ended March 31, 2012, the Company granted 1,250,000 stock options fair-valued at $171,787 using the Black-Scholes option pricing model, to its directors and corporate secretary.

Participant	Position	No. of shares	Exercise price	Expiry Date
Martin J. Doane	Director	900,000	$0.10	January 27, 2022
Richard A. Meloff	Director	150,000	$0.10	January 27, 2022
Bill G. Calsbeck	Director	150,000	$0.10	January 27, 2022
Laura C. Young	Officer	50,000	$0.10	January 27, 2022

Risk Factors

Investing in the common shares involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Company was incorporated on June 15, 2011, has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. Until Completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the securities of the Company where the Company has failed to complete a Qualifying Transaction within the 24 months of the date of listing or if the Company fails to meet initial listing requirements of the Exchange upon Completion of the Qualifying Transaction. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction
Completion of the Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a Qualifying Transaction:

(a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – *Initial Listing Requirements* of the Exchange upon Completion of the Qualifying Transaction;

(b) if, following Completion of the Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;

(c) the consideration proposed to be paid by the Company in connection with the Qualifying Transaction is not acceptable to the Exchange; or

(d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority
Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution
If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Directors and Officers
The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management
The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition
In the event the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Loans or Advances
Subject to prior acceptance from the Exchange, the Company may be permitted to loan or advance up to an aggregate of $250,000 ($25,000 without prior Exchange approval) of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover the loan or advance.

Volatile Financial Markets
The extreme volatility occurring in the financial markets is a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Issuers like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures and identify, evaluate and close a Qualifying Transaction.

Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after July 1, 2012 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded below. The following have not yet been adopted and are being evaluated to determine their impact on the Company. The Company has no plans for early adoption of the following pronouncements.

(i) IFRS 9 – Financial instruments ("IFRS 9") was issued by the IASB in October 2010 and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. Earlier application is permitted.

(ii) IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 is effective for annual periods beginning on or after January 1, 2013.

(iii) IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method. IFRS 11 is effective for annual periods beginning on or after January 1, 2013.

(iv) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entity's reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. IFRS 12 is effective for annual periods beginning on or after January 1, 2013.

(v) IFRS 13 – Fair value measurement ("IFRS 13") was issued by the IASB in May 2011. IFRS 13 is a new standard which provides a precise definition of fair value and a single source of fair value measurement considerations for use across IFRSs. The key points of IFRS 13 are as follows:

- fair value is measured using the price in a principal market for the asset or liability, or in the absence of a principal market, the most advantageous market;
- financial assets and liabilities with offsetting positions in market risks or counterparty credit risks can be measured on the basis of an entity's net risk exposure;
- disclosure regarding the fair value hierarchy has been moved from IFRS 7 to IFRS 13, and further guidance has been added to the determination of classes of assets and liabilities;
- a quantitative sensitivity analysis must be provided for financial instruments measured at fair value;
- a narrative must be provided discussing the sensitivity of fair value measurements categorized under Level 3 of the fair value hierarchy to significant unobservable inputs; and
- information must be provided on an entity's valuation processes for fair value measurements categorized under Level 3 of the fair value hierarchy.

IFRS 13 is effective for annual periods beginning on or after January 1, 2013.

(vi) IAS 1 – Presentation of financial statements ("IAS 1") was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that might be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.
(vii) IAS 27 - Separate financial statements ("IAS 27") was effective for annual periods beginning on or after January 1, 2013, as a result of the issue of the new consolidation suite of standards, IAS 27 has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

(viii) IAS 32 - Financial instruments, presentation ("IAS 32") was effective for annual periods beginning on or after January 1, 2014. IAS 32 was amended to clarify that the right of offset must be available on the current date and cannot be contingent on a future date. Earlier application is permitted.

Financial Instruments

The Company's financial instruments consist of cash, sundry receivable, loans receivable and accounts payable and accrued liabilities. The Company's financial risk exposure and the impact of the Company's financial instruments are summarized below:

Credit Risk

All of the Company's cash is held at one financial institution which is a Canadian Chartered Bank in which Management believes that the risk of loss is minimal but the Company is subject to concentration of credit risk.

Liquidity Risk

The Company does not have any borrowings nor does it have any capacity to borrow funds. The liquidity risk of the Company is that it may not have sufficient funds to meet financial obligations as they fall due. However, as at March 31, 2013, the Company had working capital of $46,804.

Interest Rate Risk

It is management's opinion that the Company is not exposed to significant interest risk arising from these financial instruments.

Fair Value

Fair value of financial instruments is as follows as at March 31, 2013:

	Book value	Fair value
Cash	$ 27,044	$ 27,044
Sundry receivable	13,075	13,075
Loans receivable	1	1
Accounts payable and accrued liabilities	52,133	52,133

Fair value of financial instruments is as follows as at March 31, 2012:

	Book value	Fair value
Cash	$ 548,066	$ 548,066
Loans receivable	25,000	25,000
Accounts payable and accrued liabilities	23,072	23,072

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make certain estimates that affect the amounts reported in the consolidated financial statements. The accounting estimates considered to be significant include estimates of share-based payments.

The Company uses a Black-Scholes model to determine the fair value of options. The main factor affecting the estimates of share-based payments is the stock price volatility used. The Company uses historical price data and comparable entities in the estimate of future volatilities.

Subsequent Events

(i) On May 7, 2013, the Company announced the termination of the Amalgamation Agreement between the Company and Monterra for the acquisition of 100% of the common shares of Monterra. Accordingly, the common shares of the Company resumed trading on the Exchange at the opening of the market on May 9, 2013.

Monterra is required to repay the Company the outstanding amount of the Secured Loan of $239,625 (which include interest accrued up to May 7, 2013) and the outstanding amount of the Unsecured Loan of $26,250 and the parties are negotiating the terms of such repayment. As at March 31, 2013, these loans have been considered to be uncollectible and the Company has taken an impairment charge on the loans receivable of $263,938, which is recorded in the consolidated statement of loss and comprehensive loss.

(ii) On July 12, 2013, the Company announced that it had entered into a letter of intent dated July 12, 2013 (the "LOI") for the arm's length acquisition of 100% of the common shares of Bathurst Resources Corp. ("Bathurst"). Pursuant to the terms of the LOI and subject to completion of certain conditions precedent, including, satisfactory due diligence, execution of a definitive agreement, completion of a concurrent financing and receipt of all necessary regulatory and Exchange approvals, the proposed acquisition of Bathurst will qualify as the Company's Qualifying Transaction.

Capital Management

The Company's objective when managing its capital is to ensure sufficient equity financing to fund a Qualifying Transaction in a way that maximizes the shareholders' return given the assumed risks of its operations. The Company considers shareholders' equity as capital. The Company may raise additional capital through the equity markets as additional capital is required. The Company is not subject to any externally imposed capital requirements and does not currently utilize any quantitative measures to monitor its capital.

Additional Disclosure for Venture Issuers without Significant Revenue

	Year Ended March 31, 2013 ($)	Period from Incorporation (June 15, 2011) to March 31, 2012 ($)
Office and general	59,076	40,315
Professional fees	59,224	60,126
Share-based payments	Nil	171,787
Transaction costs	162,709	Nil
	281,009	**272,228**

Outlook

For the immediate future, the Company intends to evaluate direct or indirect acquisitions of assets to complete a Qualifying Transaction. The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Disclosure of Outstanding Share Data

As of the date of this document, the Company had 12,500,000 issued and outstanding common shares. In addition the Company had 250,000 outstanding stock options issued to the agent of the Offering exercisable for 250,000 common shares at $0.10 per common share until February 3, 2014 and 1,250,000 stock options issued to the officers and directors of the Company exercisable for 1,250,000 common shares at $0.10 per common share, 900,000 expiring on August 14, 2013 and 350,000 expiring on January 27, 2022. Therefore, the Company had 14,000,000 common shares on a fully diluted basis.