No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

PROSPECTUS

Initial Public Offering Date: November 22, 2012

STINTON EXPLORATION LTD.

102 – 295 Broadway
Winnipeg, Manitoba R3C 0R9

Minimum Offering: $250,000 (2,500,000 Common Shares)
Maximum Offering: $275,000 (2,750,000 Common Shares)

Price: $0.10 per Common Share

The offering (the "Offering") pursuant to this prospectus (the "Prospectus") consists of the issue of a minimum of 2,500,000 Common Shares (the "Minimum Offering") and a maximum of 2,750,000 Common Shares (the "Maximum Offering") of Stinton Exploration Ltd. (the "Issuer") at a price of $0.10 per Common Share.

	Price to Public(1)	Agent's Commission(2)	Proceeds to the Issuer(3)
Per Common Share	$0.10	$0.01(2)	$0.09
Total Minimum Offering	$250,000	$25,000	$225,000
Total Maximum Offering	$275,000	$27,500	$247,500

Notes:

(1) The price to the public was determined by arm's length negotiation between the Issuer and PI Financial Corp. (the "Agent") which has agreed to act as the Issuer's financial advisor and exclusive financing agent in the public offering of the Common Shares on a commercially reasonable efforts basis, in accordance with the agency agreement between the Issuer and the Agent dated for reference November 22, 2012 (the "Agency Agreement").

(2) In connection with the Offering, the Agent will receive a commission of 10% on the gross proceeds from the Common Shares sold (the "Agent's Commission"). In addition, the Agent will receive a non-transferable option (the "Agent's Option") to purchase a number of Common Shares (the "Agent's Option Shares") equal to 10% of the total number of Common Shares sold pursuant to the Offering. The Agent's Option is exercisable into one Agent's Option Share at a price of $0.10 per Agent's Option Share for 48 months from listing of the Common Shares on the Canadian National Stock Exchange (the "Exchange"). The Agent's Option is non-transferable. See "Plan of Distribution".

(3) Before deducting the balance of the costs of this issue which are estimated to be $40,000. The Issuer will also pay the Agent a corporate finance fee of $25,000, plus HST, half of which ($12,500 plus HST) has been paid and is non-refundable.

Concurrently with the filing of this Prospectus, the Issuer will make an application for listing on the Exchange. Listing is subject to the Issuer fulfilling all of the listing requirements of the Exchange which include completion of the distribution of the Common Shares to a minimum number of public shareholders.

An investment in the securities of the Issuer is highly speculative due to the nature of the Issuer's business and its present stage of development. At present, the Issuer's properties have no known commercial body of ore and the proposed work programs are to explore for ore. An investment in natural resource issuers involves a significant degree of risk. The degree of risk increases substantially where the properties are in the exploration as opposed to the development stage.

Further, investments in early stage businesses involve a high degree of risk and investors should not invest any funds in this Offering unless they can afford to lose their entire investment. Subscribers must rely upon the ability, expertise, judgment, integrity and good faith of the management of the Issuer. An investment in the Common Shares involves a high degree of risk and should only be considered by those investors who can afford to lose their entire investment. See "Risk Factors."

The Issuer was incorporated to find, explore and develop resource properties in Canada. The Issuer has no present intention to pay any dividends on its Common Shares. The Issuer has no history of earnings.

The Offering is not underwritten and is subject to the sale of a minimum of 2,500,000 Common Shares on or before 90 days from the date of issuance of a final receipt for the final Prospectus, unless an amendment to the final Prospectus is filed and the regulatory authorities have issued a receipt for the amendment, in which case the distribution will cease within 90 days from the date of issuance of a receipt for the amendment, and in any event, not later than 180 days from the date of the receipt for the final Prospectus. See "Plan of Distribution."

Upon completion of the Offering, 2,340,000 Common Shares will be directly or beneficially owned by directors, officers, promoters, insiders, holders of performance shares or escrow securities as a group and the public will own 3,900,000 Common Shares, assuming completion of the Minimum Offering, and 4,150,000 Common Shares, assuming completion of the Maximum Offering. See "Directors and Officers".

Securities Issuable to Agent

Agent's Position	Maximum size or number of securities available	Exercise period or Acquisition date	Exercise price or average acquisition price
Compensation Option(1)	275,000 Agent's Option Shares	48 months commencing from date Issuer's Common Shares are listed on the Exchange	$0.10 per Agent's Option Share

Note: (1) The Agent's Option is qualified for distribution by this Prospectus. See "Plan of Distribution".

The Prospectus also qualifies the distribution of 1,300,000 common shares to be issued as part of the option payments under the Purchase Agreement (as defined herein) for the Issuer's principal property. See "Description of the Business" and "Plan of Distribution".

All funds received will be held by the Agent in trust. If the Offering is not raised within 90 days of the date of issue of receipt for the final Prospectus, or the date of issue of receipt of an amendment to the final Prospectus and agreed to by the Agent and each of the purchasers who have subscribed within the said 90-day period, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction. Certificates representing the Common Shares will be available for delivery at the closing. No person is authorized by the Issuer to provide any information or to make any representation other than those contained in this Prospectus in connection with the issue and sale of the securities offered by the Issuer.

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

The Agent conditionally offers the Common Shares on a commercially reasonable efforts basis, if, as and when issued by the Issuer and accepted by the Agent in accordance with the conditions contained in the Agency Agreement. See "Plan of Distribution". Subscriptions will be received, subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time.

The Canadian National Stock Exchange has conditionally approved the listing of the common shares of the Issuer. Listing is subject to the Issuer fulfilling all the requirements of the Canadian National Stock Exchange, including distribution of such common shares to a minimum number of public shareholders.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "Risk Factors". The Issuer has applied to list its common shares on the Exchange. Listing is subject to the Issuer fulfilling all the listing requirements of the Exchange.

As of the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Certain legal matters relating to the securities offered hereunder will be passed upon by Buttonwood Law Corporation on behalf of the Issuer and by McCullough O'Connor Irwin LLP, on behalf of the Agent.

AGENT

PI FINANCIAL CORP.
#1900 – 666 Burrard Street
Vancouver, BC
V6C 3N1
Tel: 604-664-2900

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STINTON EXPLORATION LTD.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Issuer	Stinton Exploration Ltd. was incorporated under the laws of Canada on September 1, 2010. The Issuer was formed to acquire, explore and develop mining claims in Canada. To date the Issuer has entered into the Purchase Agreement (as defined herein) pursuant to which it has agreed to purchase a 25% interest in the Buffalo Nickel Project (the "Property") and it has the option to purchase the remaining 75% interest in the Property. See "Narrative Description of the Business" on page 13 of this Prospectus.
Business of the Issuer	The principal business of the Issuer is the exploration of natural resource properties. See "Description of the Business" on page 11 of this Prospectus.
Principal Property	The Issuer's principal property is the Property, located about 150 km southeast of Winnipeg, Manitoba and 16 km north of the boundary with the state of Minnesota, USA. The Property consists of 13 unpatented claims that cover an area of approximately 2,995 hectares. See "Narrative Description of the Business: Property Description and Location" on page 13 of this Prospectus.
The Offering	The Offering consists of a minimum of 2,500,000 Common Shares for gross proceeds of $250,000 and a maximum of 2,750,000 Common Shares for gross proceeds of $275,000. All funds received will be held by the Agent in trust pursuant to the Agency Agreement. If the Offering is not raised within 90 days of the date of issue of the receipt for the final Prospectus, or within 90 days of the date of issue of receipt for an amendment to the final Prospectus, and in any event not later than 180 days from the date of the receipt for the final Prospectus, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction. See "Description of the Securities Distributed" on page 53, "Plan of Distribution" on page 76 and "Use of Proceeds" on page 43 of this Prospectus.
Offering Jurisdictions	The Offering will be made in the Provinces of Alberta, Manitoba and Ontario. See "Plan of Distribution" on page 76 of this Prospectus.
Closing	Completion of the Offering must occur no later than 90 days from the final Prospectus receipt date unless an amendment to the final Prospectus is filed and the regulatory authorities have issued a receipt for the amendment, in which case the Offering must complete within 90 days from the date of the issuance of a receipt for the amendment and, in any event, not later than 180 days from the date of the final Prospectus receipt date. See "Plan of Distribution" on page 76 of this Prospectus.
Agent's Commission	The Agent will receive a commission of 10.0% on the gross proceeds of the Offering. See "Plan of Distribution" on page 76 of this Prospectus.
Agent's Option	At the closing of the Offering, the Issuer will grant the Agent's Option to the Agent to

	purchase a number of Agent's Option Shares equal to 10% of the number of Common Shares sold in the Offering, at an exercise price of $0.10 per Agent's Option Share for 48 months from the date the Common Shares commence trading on the Exchange. See "Plan of Distribution" on page 76 of this Prospectus.
Corporate Finance Fees and Due Diligence Deposit	The Issuer has agreed to pay the Agent a corporate finance fee of $25,000, plus HST, half of which ($12,500 plus HST) has been paid and is non-refundable. See "Plan of Distribution" on page 76 of this Prospectus. The Issuer shall be responsible for the payment of the Agent's disbursements incurred in connection with the Offering, including legal costs and expenses that the Agent may incur, of which the Issuer has paid $15,000.
Listing	The Issuer has applied to have its Common Shares listed on the Exchange. Listing is subject to the Issuer fulfilling all of the requirements of the Exchange. See "Plan of Distribution" on page 76 of this Prospectus.
Right of First Refusal	The Issuer has granted the Agent a right of first refusal as agent or underwriter on subsequent brokered equity financings conducted by the Issuer for a period of 12 months from closing of this Offering. See "Plan of Distribution" on page 76 of this Prospectus.
Use of Proceeds	The net proceeds to the Issuer from the sale of the Common Shares offered hereunder are estimated to be $175,000 under the Minimum Offering and $197,500 under the Maximum Offering, after deducting the Agent's Commission ($25,000 under the Minimum Offering and $27,500 under the Maximum Offering), and the estimated expenses of the Offering ($40,000). The net proceeds of the Offering will be expended to complete the Phase I exploration on the Property, and for general working capital purposes. For a more detailed discussion on the Issuer's proposed expenditures, see "Use of Proceeds" on page 43 of this Prospectus and "Description of the Business" on page 11 of this Prospectus.
Directors, Officers and Senior Management	Wayne Stebbe –CEO and Director David Gurvey – CFO and Director Eric Hinton – Director S. Mark Francis – Director Keith Sinclair – Director and Corporate Secretary See "Directors and Officers" on page 57 of this Prospectus.
Risk Factors	Investment in the Issuer involves a substantial degree of risk and should be regarded as speculative. As a result, the purchase of the Issuer's securities should be considered only by those persons who can afford a loss of their entire investment. Prospective investors should carefully consider, in addition to matters set forth elsewhere in this Prospectus, the following factors relating to the business of the Issuer. The Issuer has no current mining operations and no revenue and will need to raise funds to carry out exploration of its properties. There is no assurance the Issuer will be able to raise additional funds or settle debt by the issuance of securities for debt to satisfy any indebtedness. In addition, if exploration programs are successful, additional funds will be required to place the Property into commercial production. The business of mineral exploration involves a high degree of risk. Few mineral properties that are explored are ultimately developed into producing mineral properties. 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. In particular, the Property is located in the Buffalo Point First Nation Community Interest Zone, an area from which the Buffalo Point First Nation Band has rights to select its entitlement lands. Land underlain by a Community Interest Zone is not held by the Buffalo Point First Nation and does not limit the rights of a mining or exploration company to stake or develop mineral claims, or to obtain mineral leases, but exploration permits must be reviewed by the interested First Nation to prevent large areas within the Community Interest Zone form being staked, making them unavailable for land selection by the First Nation. Several of the claims are also on the Lake of the Woods Water Power Reserve. Ministerial approval is required to divert, use or store water for generating power and for activities that impact water within the water power reserve, although at this time, management does not anticipate needing Ministerial approval to conduct exploration on the Property. The success of the Issuer is largely dependent upon the performance of its directors and management. The Issuer's management is experienced in exploring for minerals, but lacks technical training and experience with developing and operating a mine. The Issuer will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the Property, and the Issuer believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in regulations and in various operational circumstances which may result in increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material impact on the Issuer and cause an increase in capital expenditures or exploration costs or a reduction in production levels for producing properties or require abandonment of new exploration properties. The Issuer and its assets may be subject to uninsurable risks. The Issuer may be unable to acquire additional meritorious mineral properties on terms it considers acceptable. Directors of the Issuer may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource exploration or development which may result in a conflict of interest. The Issuer and/or its directors may be subject, with or without merit, to a variety of civil or other legal proceedings. The Issuer intends to retain any future earnings to finance its business and operations and future growth and does not anticipate declaring any cash dividends in the foreseeable future. This information is presented as of the date of this Prospectus and is subject to change, completion, or amendment without notice. See "Risk Factors" on page 77 of this Prospectus.
Summary Financial Information	The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements and notes thereto included in this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the "Management Discussion and Analysis" included on page 45 of this Prospectus. All financial statements of the Issuer are prepared in accordance with International Financial Reporting Standards ("IFRS").

	Fiscal Year Ended December 31, 2011 (Audited)
Total Assets	$110,497
Total Liabilities	$26,167
Deficit	($36,093)
Shareholder Equity	$84,330
Total Common Shares	3,740,000

FORWARD LOOKING STATEMENTS

This Prospectus contains "forward-looking statements" within the meaning of Canadian securities laws. Forward-looking statements reflect the Issuer's current views with respect to future events, are based on information currently available to the Issuer and are subject to certain risks, uncertainties, and assumptions, including those discussed above. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "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 statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ from those expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations, fluctuation of currency exchange rates, actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in mineral resources, grade or recovery rates, accidents, labour disputes and other risks of the mining industry, delays in obtaining, or inability to obtain, required governmental approvals or financing, as well as other factors discussed under "Risk Factors". Although the Issuer has attempted to identify material 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 to differ from those anticipated, estimated or intended. Forward-looking statements contained in this Prospectus are made as of the date of this Prospectus. 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 Issuer will update forward-looking statements in its management discussion and analysis as required.

CURRENCY RATES, METRIC EQUIVALENTS AND ABBREVIATIONS

All currency amounts in the Prospectus are stated in Canadian dollars unless otherwise indicated. All financial information with respect to the Issuer has been presented in Canadian dollars in accordance with generally accepted accounting principles in Canada.

The following table sets forth certain standard conversions from Standard Imperial Units to the International System of Units (or metric Units).

To Convert from Metric	To Imperial	Multiply by
Grams (g)	Grains	15.43
Grams (g)	Ounces (troy) (oz)	0.032
Grams per tonne (g/t)	Ounces (troy) per ton (oz/ton)	0.029
Hectares	Acres	2.471
Kilometres (km)	Miles (mi)	0.621
Square Kilometres (km^2)	Square Mile (mi^2)	0.386
Metres	Feet	3.281
Millimetres (mm)	Inches (in)	0.039
Tonnes (t)	Short tons (2000 pds)	1.102
Acres	Hectares	0.405

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used frequently throughout this Prospectus:

"$"	unless otherwise noted all dollar amounts are considered to be in Canadian currency.
"Affiliate"	a company that is affiliated with another company as defined in the *Canada Business Corporations Act*.
"Agency Agreement"	the agency agreement entered into between the Issuer and the Agent, dated for reference November 22, 2012, to act as agent for the Offering on a commercially reasonable efforts basis.
"Agent"	PI Financial Corp.
"Agent's Option"	the option granted by the Issuer to the Agent to purchase a number of Agent's Option Shares equal to 10% of the Common Shares sold in the Offering, at an exercise price of $0.10 per Agent's Option Share for a period of 48 months from the date the common shares commence trading on the Exchange.
"Agent's Option Shares"	the Common Shares issuable to the Agent upon the exercise of the Agent's Option.
"associate"	when used to indicate a relationship with a Person, means: (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10 percent of the voting rights attached to all outstanding voting securities of the issuer; (b) any partner of the Person; (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and (d) in the case of a Person who is an individual (i) that Person's spouse or child, or (ii) any relative of that Person or of his spouse who has the same residence as that Person; but (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a

	Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.
"common share"	a common share without par value of the Issuer.
"Directors"	the directors of the Issuer.
"Effective Date"	the date on which the final receipt for this Prospectus is issued by the Manitoba Securities Commission.
"Entitlement First Nation"	the 19 First Nations bands (including the Buffalo Point First Nation) that comprise the Treaty Land Entitlement Committee of Manitoba Inc., which signed the Manitoba Treaty Land Entitlement Framework Agreement with Canada and Manitoba on May 29, 1997 to delineate the principles, responsibilities and dispute resolution processes associated with the land selection and acquisition process to be undertaken by the Entitlement First Nations in Manitoba.
"Escrow Agent"	means Alliance Trust Company.
"Exchange" or "CNSX"	the Canadian National Stock Exchange.
"Initial Escrow Agreement"	the escrow agreement among the Issuer, the Transfer Agent, the Directors and certain shareholders of the Issuer dated effective November 8, 2012**.**
"Insider"	an insider as defined in the *Securities Act* (Manitoba), which includes the directors and senior officers of the Issuer or any subsidiaries of the Issuer and any person that has direct or indirect beneficial ownership of, or control or direction over, securities of the Issuer carrying more than 10% of the voting rights attached to the Issuer's outstanding voting securities.
"Issuer"	Stinton Exploration Ltd.
"NI 43-101"	National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, as published by the Canadian Securities Administrators.
"Offering"	the offering of a minimum of 2,500,000 Common Shares and a maximum of 2,750,000 Common Shares at a price of $0.10 per Common Share.
"Offering Price"	the offering price of $0.10 per Common Share.
"Option"	the option granted by William C. Hood to the Issuer, pursuant to the Purchase Agreement to acquire the remaining 75% interest in the Property subject to a 2% net smelter return royalty in favour of William C. Hood.
"Purchase Agreement"	the agreement between the Issuer and William C. Hood dated December 13, 2010, granting the Issuer an option to acquire the remaining 75% interest in the Property, subject to a 2% net smelter return royalty in favour of William C. Hood.
"Person"	means a company or an individual.
"Property"	the Buffalo Nickel Project, Winnipeg, Manitoba.
"Prospectus"	this prospectus and any appendices, schedules or attachments hereto.

"Share" or "Shares"	one or more common shares in the capital of the Issuer.
"Technical Report"	the NI 43-101 Technical Report entitled "Technical Report and Proposed Exploration Program for the Buffalo Nickel Project Manitoba", dated June 26, 2012 and prepared by Daniel A. Beauchamp, P. Geol., M.B.A., Consulting Geologist.
"Transfer Agent"	Alliance Trust Company.
"Vendor"	the Vendor as defined in the Purchase Agreement, William C. Hood.

TECHNICAL GLOSSARY OF TERMS

Ag	the chemical symbol for silver.
andesite	an extrusive igneous rock consisting primarily of plagioclase feldspars plus pyroxene and/or hornblende. Biotite, magnetite, quartz and sphene are common constituents. These rocks are found near the subduction zones of ocean tectonic plates, along continental margins.
anomaly	a concentration or measurement in excess of statistical background.
As	the chemical symbol for arsenic.
assay	a laboratory analysis to determine the presence, absence or concentration of one or more elemental components such as gold or copper.
Au	the chemical symbol for gold.
basalt	a fine-grained, dark, mafic igneous rock composed largely of plagioclase feldspar and pyroxene.
breccia	a coarse-grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix; it differs from conglomerate in that the fragments have sharp edges and unworn corners. Breccia may originate as a result of talus accumulation, explosive igneous processes, collapse of rock material, or faulting.
chalcopyrite	a common mineral, a sulfide of copper and iron, sometimes called copper pyrite or yellow copper ore.
Co	the chemical symbol for cobalt.
Cr	the chemical symbol for chromium.
dacite	an extrusive igneous rock, the principle minerals of which are plagioclase, quartz, pyroxene, or hornblende.
deposit	a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing mineral reserves, until

	final legal, technical and economic factors have been resolved.
diorite	any of various dark, granite-textured, crystalline rocks rich in plagioclase and having little quartz.
dyke	an intrusion into an opening cross-cutting fissure, shouldering aside other pre-existing layers or bodies of rock; this implies that a dike is always younger than the rocks that contain it.
EM	electromagnetic.
Fe	the chemical symbol for iron.
feldspar	a group of common rock-forming minerals that crystallized from magma.
felsic	a mnemonic adjective derived from (fe) for feldspar, (1) for lenad or feldspathoid, and (s) for silica, and applied to light-colored rocks containing an abundance of one or all of these constituents. Also applied to the minerals themselves, the chief felsic minerals being quartz, feldspar, feldspathoid, and muscovite.
Ga	the chemical symbol for gallium.
gabbro / gabbroic	a usually coarse-grained igneous rock composed chiefly of calcic plagioclase and pyroxene.
geophysical survey	mapping rock structures and mineral deposits by methods of measuring physics of the earth. Includes measuring magnetic fields, force of gravity, electrical properties.
granodiorite	a coarse-grained acid igneous rock containing almost twice as much plagioclase as orthoclase: intermediate in composition between granite and diorite.
g/t	grams per metric tonne.
igneous rock	is formed by magma or lava cooling and becoming solid. Igneous rock may form with or without crystallization, either below the surface as intrusive rocks or on the surface as extrusive rocks.
K_2O	the chemical symbol for potassium oxide, an ionic compound of potassium and oxygen.
kaolinite	soft, white and formed by hydrothermal alteration or weathering of aluminosilicates, especially feldspars and feldspathoids.
kimberlite	a rock formation in South Africa containing peridotite, in which diamonds are formed.
lacustrine	living or growing in or on the shores of a lake or found in or deposited as part of a former lake.
mafic	containing or relating to a group of dark-colored minerals, composed chiefly of magnesium and iron, that occur in igneous rocks.

Mg	the chemical symbol for magnesium.
monzonite	an igneous rock composed chiefly of plagioclase and orthoclase, with small amounts of other minerals.
Na	the chemical symbol for sodium.
Ni	the chemical symbol for nickel.
NSR	"net smelter return" royalty, cash proceeds for the economic materials from a smelter after various costs.
n/T	nanoTesla, a unit of measurement used to measure the intensity of magnetic fields.
olivine	a mineral silicate of iron and magnesium, principally $(Mg, Fe)_2SiO_4$, found in igneous and metamorphic rocks and used as a structural material in refractories and in cements.
ore	a metal or mineral, or a combination of these, of sufficient value as to quality and quantity to enable it to be mined at a profit under current economic and technical conditions.
outcrop	an exposure of rock or mineral deposit that can be seen on surface, not covered by soil or water.
Pb	the chemical symbol for lead.
peridotite	any of a group of igneous rocks composed mainly of olivine and various pyroxenes and having a granitelike texture.
PGE	platinum group elements, a group of physicochemically similar elements that include platinum, palladium and rhodium.
porphyry	igneous rocks with relatively large mineral crystals set in a fine granted igneous groundmass.
ppb	parts per billion.
ppm	parts per million.
pyrite	a sulphide mineral, iron sulphide.
pyroxene	any of a group of crystalline silicate minerals common in igneous and metamorphic rocks and containing two metallic oxides, as of magnesium, iron, calcium, sodium, or aluminum.
pyroxenite	an igneous rock consisting chiefly of pyroxenes.
quartz	a mineral, the composition of which is silicon dioxide; a crystalline form of silica, which frequently occurs in veins.
regolith	a layer of loose, heterogeneous material covering solid rock which includes dust, soil, broken rock, and other related materials.

rhyolite	the fine-grained volcanic or extrusive equivalent of granite, light brown to gray and compact.
sampling	taking and sending a small proportion of a rock or mineral to a laboratory for analysis to determine if it contains minerals of economic interest.
Sb	the chemical symbol for antimony.
Si	the chemical symbol for silicon.
sediments	the rock particles or debris resulting from the weathering, break-up and erosion of pre-existing rocks.
sedimentary rock	is a type of rock that is formed by sedimentation of material at the Earth's surface and within bodies of water.
sphalerite	a mineral zinc sulphide, which nearly always contains iron and it is a principal ore of zinc.
strike	the direction, or course or bearing, of a vein or rock formation measured on a level surface.
sulfide or sulphide	a mineral compound characterized by the chemical bonding of sulphur with a metal.
tonalite	an igneous, plutonic (intrusive) rock, of felsic composition, with phaneritic texture. Feldspar is present as plagioclase (typically oligoclase or andesine) with 10% or less alkali feldspar. Quartz is present as more than 20% of the rock. Amphiboles and pyroxenes are common accessory minerals.
tuff	a volcanic rock formed by the compaction of fine rock fragments blasted from a volcano, the fragments are generally smaller than 4mm in diameter.
volcanic	rocks originating from volcanic activity.
Zn	the chemical symbol for zinc.

CORPORATE STRUCTURE

Name and Incorporation

The Issuer, whose full name is "**Stinton Exploration Ltd.**", was incorporated under the *Canada Business Corporations Act* on September 1, 2010. The Issuer's head office is located at 102 – 295 Broadway, Winnipeg, MB R3C 0R9. The Issuer's registered and records office address is 102 – 295 Broadway, Winnipeg, MB R3C 0R9.

The Issuer's common shares are not listed or posted for trading on any stock exchange.

The Issuer has no subsidiaries.

DESCRIPTION OF THE BUSINESS

Description of the Business

The Issuer is an exploration company. Its activities consist of acquiring, exploring, developing, and, as the case may be, operating mining properties. It is anticipated that the Issuer will be mainly active in the field of mining exploration in Manitoba and that a material part of the funds from the subscription of the Common Shares offered hereunder will be used in exploration work on the Property. See "Use of Proceeds" and "Narrative Description of the Business".

The Issuer does not presently operate a mine.

Mineral exploration and development of mining properties will constitute the principal business of the Issuer for the coming years. In the course of realizing its objectives, the Issuer will be called upon to enter into various agreements specific to the mining industry, such as purchase or option agreements to purchase mining claims and joint venture agreements.

Stated Business Objectives

The principal business carried on and intended to be carried on by the Issuer is the acquisition and exploration of mineral exploration properties. The Property is in the exploration stage. The Issuer's primary objective following completion of the Offering is to undertake the recommended exploration program described in the section of this Prospectus entitled "Property". Upon completion of the Offering, the Issuer plans to complete the Phase I work of the exploration program. If the results of the Phase I exploration program merit further exploration, the Issuer will commence Phase II of the exploration program. The Issuer will require additional capital to complete the Phase II program or any additional phases of exploration work. The additional capital may come from future equity or debt financings and there can be no assurance that the Issuer will be able to raise such additional capital if and when required or on terms acceptable to the Issuer. See "Use of Proceeds" and "Risk Factors - Requirement for Further Financing".

Three-Year History

The Issuer commenced operations in December, 2010 and is in the business of acquiring and exploring mineral properties. From the Issuer's incorporation date of September 1, 2010 until the commencement of operations, the Issuer was inactive. To date, the Issuer has acquired a 25% interest in the Property with an Option to acquire the remaining 75% interest, and intends to complete the initial Phase 1 exploration program on the Property. The Issuer also intends to obtain and explore additional mineral properties of merit.

Through the Purchase Agreement, the Issuer has acquired, subject to acceptance by all applicable regulatory authorities, a 25% interest in the Property and the Option to acquire the remaining 75% interest in the Property from the Vendor consisting of 13 mineral claims for an aggregate of 2,995 ha. The Vendor is not a related party to the Issuer and the Purchase Agreement was an arm's length transaction between the Issuer and the Vendor.

The Issuer does not anticipate any changes to occur in its business during the current financial year.

Significant Acquisitions and Significant Dispositions

The Issuer has not carried out any significant acquisitions or dispositions other than acquiring the Option.

Under the Purchase Agreement, the Issuer acquired a 25% interest in the Property by issuing 700,000 common shares to the Vendor. To exercise the Option and acquire the remaining 75% interest in the Property (the "Option"), the Issuer is required to issue 1,300,000 common shares to the Vendor at any time from December 13, 2010 to and including December 13, 2012.

The Issuer has complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so, provided that the Issuer keeps the Property in good standing and conducts all operations and activities on the Property in accordance with applicable law.

The Property is subject to an underlying royalty in favour of William C. Hood based on a net smelter returns royalty equal to two percent (2%), which net smelter returns royalty commences on the date which the option has been exercised. The Issuer may elect to purchase from the Vendor at any time one-half of the net smelter returns royalty, being one percent (1%), upon payment to the Vendor of one million dollars ($1,000,000). For the purposes of calculating the underlying royalty, "net smelter returns" means for any calendar month and for any Product (defined as the owner's share of all ores mined from the Property and all concentrates and other mineral products, metals or minerals which are derived therefrom, whether on or off the Property), the proceeds received or deemed to be received by the owner for the sale of Product from the Property, whether processed on or off the Property, less all costs, charges and expenses paid, incurred, or deemed incurred by the owner during the month for or with respect to Product including (i) charges for treatment in the smelting, refining and other beneficiation processes (including handling, processing, interest, and provisional settlement fees, weighing, sampling, assaying umpire and representation costs, penalties, and other processor deductions); (ii) actual costs of transportation (including loading, freight, insurance, security, transaction taxes, handling, port, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of the Product from the Property to the place of treatment and then to the place of sale; (iii) costs or charges of any nature for in connection with insurance, storage, or representation at a smelter or refinery for the Product or refined metals; and (iv) sales, use, severance, excise, net proceeds of mine, and ad valorem taxes and any tax on or measured by mineral production, but not including income taxes of the owner or royalty holder.

Trends

There are significant uncertainties regarding the prices of gold and silver and other minerals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the price of silver, gold and other minerals has fluctuated widely in recent years and wide fluctuations are expected to continue. Interest in early stage exploration companies is also subject to overall market sentiment. Apart from these risks, and the risk factors noted under the heading “Risk Factors,” the Issuer is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on our business, financial condition or results of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Technical Report - Buffalo Nickel Project

The following information regarding the Property has been summarized from a technical report entitled “Technical Report and Proposed Exploration Program for the Buffalo Nickel Project, Manitoba”, dated June 26, 2012, and prepared by Daniel Beauchamp, P.Geol., M.B.A. (“Mr. Beauchamp” or the “author”) and should be read in conjunction with this Prospectus. Mr. Beauchamp is an independent Qualified Person as defined by NI 43-101. The Technical Report has been prepared in accordance with NI 43-101 and is available for inspection at the head office of the Issuer during normal business hours during the period of distribution of the Common Shares. This summary contains references to indicate to the reader the materials that have been used to compile the Technical Report. The Technical Report contains a complete list of all references used in this summary. The full Technical Report will also be made available on SEDAR at www.sedar.com.

The author of the Technical Report has obtained and reviewed various reports concerning past exploration work conducted on the Property which were not prepared in accordance with NI 43-101. The following technical information has been taken from these reports; however, the author has not completed sufficient work to verify the accuracy of this historical information. Accordingly, readers should use caution when considering this information and should not rely upon the accuracy of such information.

Property Description and Location

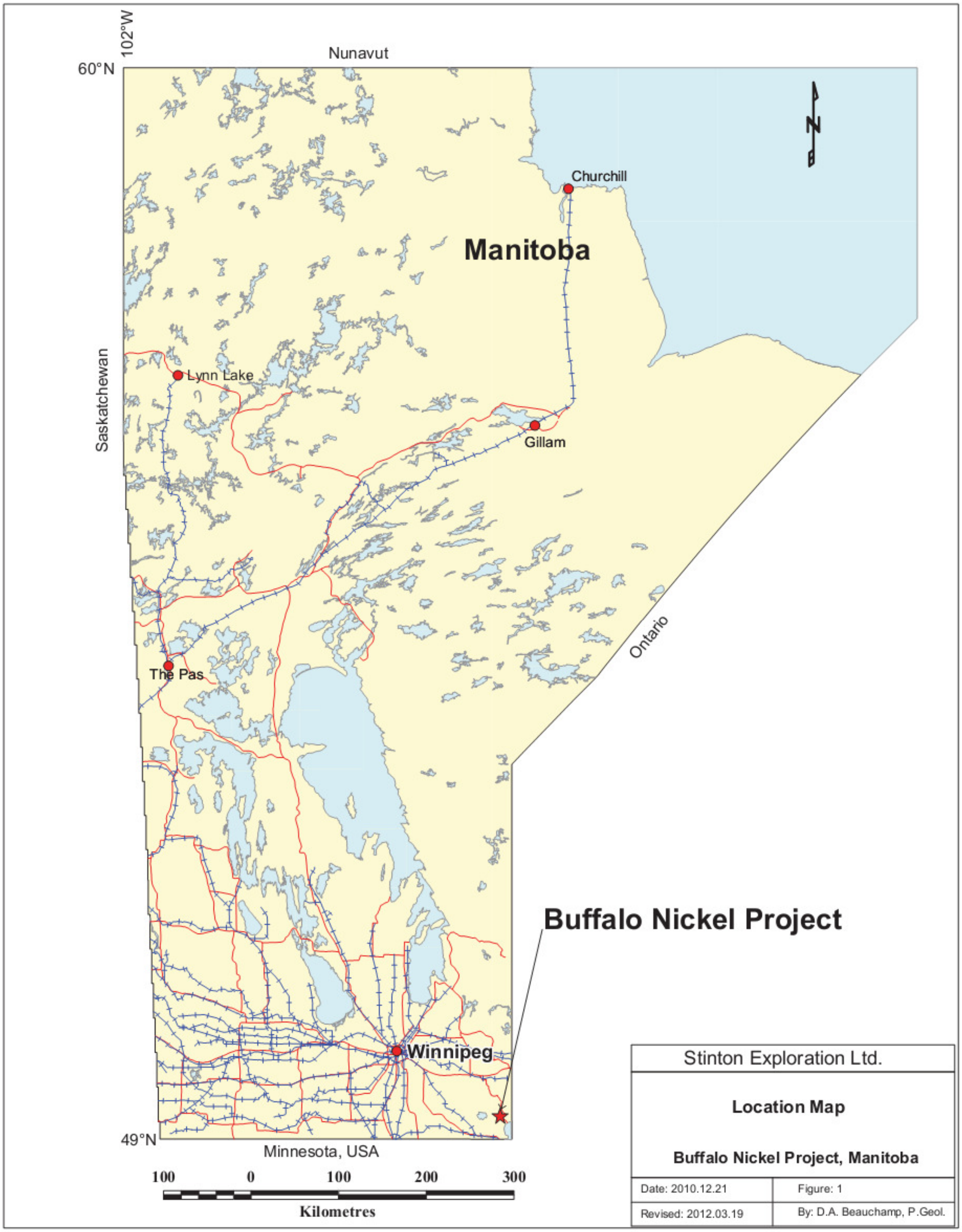
The Buffalo Nickel Project is located in the extreme southeastern part of Manitoba, 150 km southeast of Winnipeg and 16 km north of the boundary with the state of Minnesota, USA (see Figure 1). About 13 km east of the centre of the claims is the boundary with the Northwest Angle, a part of the United States that extends north of the 49th parallel.

The claims are centered at 95˚20’00” W and 49˚09’00” N in NTS 52E/03 to the west of Buffalo Bay, at the western end of Lake of the Woods (see Figure 2).

The claims in the surveyed areas of southern Manitoba are not staked by placing posts on the ground, as they are in other parts of the province, but are registered by township, range and section name in the office in Winnipeg. A review of the data provided by the Manitoba Innovation, Energy and Mines shows that the location of the claims is believed to be accurate.

The Property comprises 13 unpatented mining claims with a total area of about 2,995 hectares (7,399.75 acres). The claims form part of Township 2 Ranges 16 and 17 East of the Prime Meridian and extend north to Township 3 Range 17 East of the Prime Meridian (see Figure 3).

Figure 1: Location Map



The earliest renewal date for the claims is February 13, 2013 for claim JAM 15 and the other 12 claims have renewal dates of April 4, 2013 to October 18, 2013. Detailed information for the claims on the Property is presented in Table 1 below and shown in Figure 3.

Table 1
List of Mineral laims

Name	Claim Number	Owner	Date Recorded	Date of Renewal	Hectares
JAM 1	SV11366	William C. Hood	19-Aug-09	18-Oct-13	17
JAM 2	SV10916	William C. Hood	19-Apr-93	18-Jun-13	52
JAM 13	SV11744	William C. Hood	27-May-10	26-Jul-13	261
JAM 14	SV11745	William C. Hood	27-May-10	26-Jul-13	254
JAM 15	SV11763	William C. Hood	15-Dec-10	13-Feb-13	269
JAM 16	SV11746	William C. Hood	27-May-10	26-Jul-13	269
MOS 3	SV11588	William C. Hood	3-Feb-10	4-Apr-13	279
MOS 7	SV11589	William C. Hood	3-Feb-10	4-Apr-13	274
MOS 11	SV11740	William C. Hood	27-May-10	26-Jul-13	266
MOS 12	SV11741	William C. Hood	27-May-10	26-Jul-13	269
MOS 14	SV11747	William C. Hood	27-May-10	26-Jul-13	239
MOS 15	SV11742	William C. Hood	27-May-10	26-Jul-13	272
MOS 16	SV11743	William C. Hood	27-May-10	26-Jul-13	274
Total					2995

The Property was held 100% by William C. Hood of Beausejour, Manitoba. On December 13, 2010, the Issuer purchased a 25% interest in the Property in exchange for 700,000 common shares and a net smelter return of 2% in favour of Mr. Hood. The Issuer has an option to purchase until December 13, 2012 the remaining 75% of the Property, but only in its entirety, for an additional 1,300,000 common shares subject to the same 2% net smelter return.

In Manitoba, claims are initially valid for two years and 60 days, after which they can be renewed annually.

Claims larger than 16 hectares can be reduced in size anytime after the first anniversary of the claim at the anniversary date. Claims can be grouped to apply assessment work completed on one claim to any of the claims of the same group. The maximum area allowed in a single group is 3,200 hectares.

From year two to year 10, claims can be renewed as long as a report is submitted within 60 days of the anniversary date, documenting a minimum expenditure of $12.50 per hectare on the property and by paying a renewal fee of $12 per claim.

Cash in lieu of exploration can be paid to Manitoba Innovation, Energy and Mines. Mr. Wayne Stebbe, a director of the Issuer, indicated that cash would be paid before the renewal of the claims in June and July 2012. These payments are recoverable from the government within five years if work in excess of the minimum required is performed on the property.

From year 11 onward, the work requirement doubles to $25 per hectare.

The current obligation on the Property to maintain all the claims beyond their current period of validity is $37,437.50 per year along with renewal fees of $156 for the 13 claims. The earliest renewal date is

February 13, 2013 for the JAM 15 (SV 11763) at which time assessment work of $3,362.50 must have been completed or cash equivalent must be paid.

The Reed River First Nation Indian Reserve 36 and the Buffalo Point First Nation Indian Reserve 36A adjoin to the east and south of the Property. All claims are within the Community Interest Zone of the Buffalo Point First Nation, an area extending 30 km from the exterior boundary of the main reserve of each Entitlement First Nation.

Land underlain by a Community Interest Zone is not held by the First Nation and does not limit the rights of a mining or exploration company to stake or develop mineral claims, or to obtain mineral leases, but exploration permits must be reviewed by the Buffalo Point First Nation to prevent large areas within the Community Interest Zone from being staked, making them unavailable for land selection by the Buffalo Point First Nation.

Several of the claims are also on the Lake of the Woods Water Power Reserve. Ministerial approval is required to divert, use or store water for generating power and for activities that impact water within the water power reserve. Management does not anticipate needing Ministerial approval to conduct exploration on the Property.

Figure 2: Regional Access

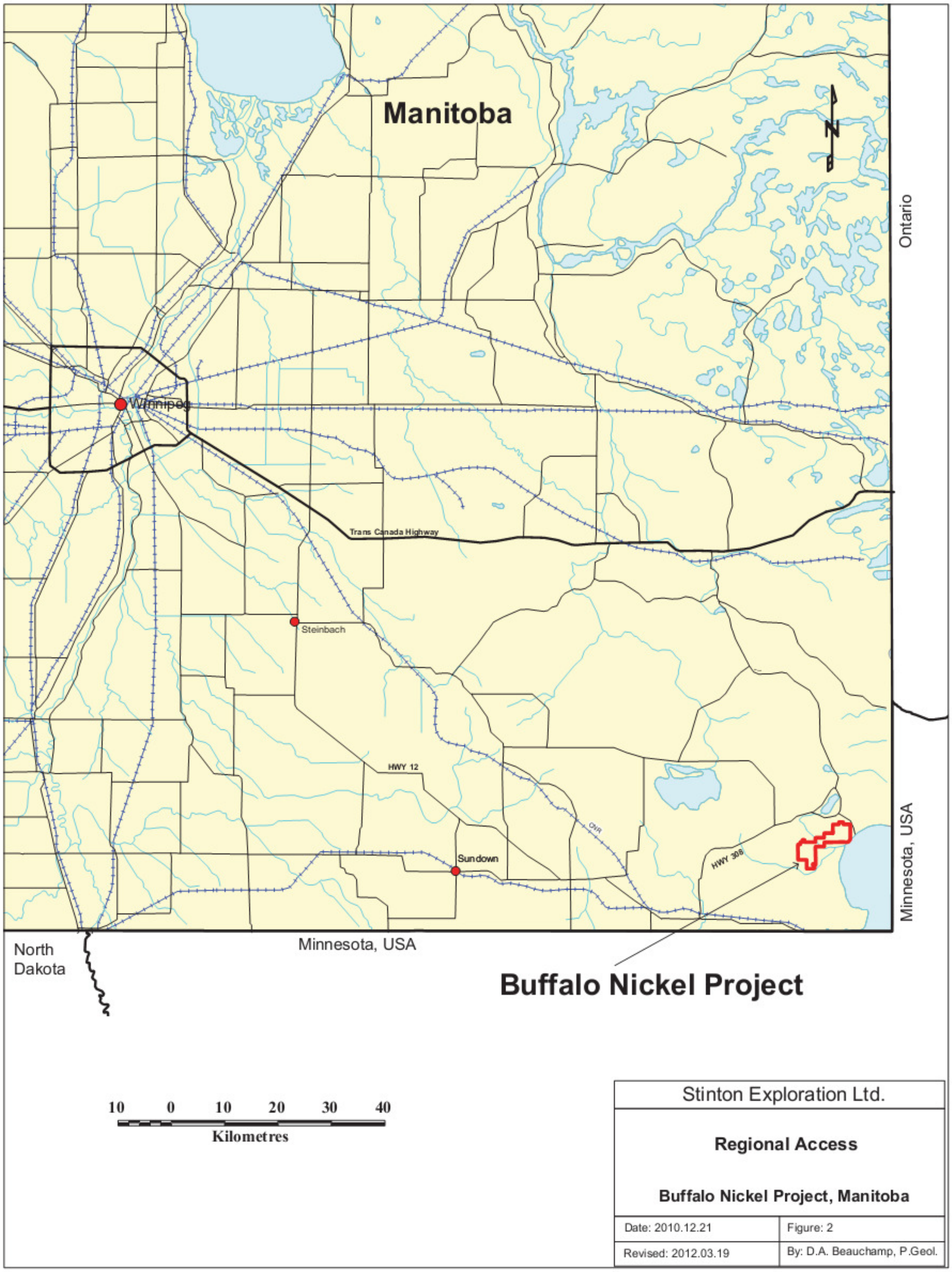
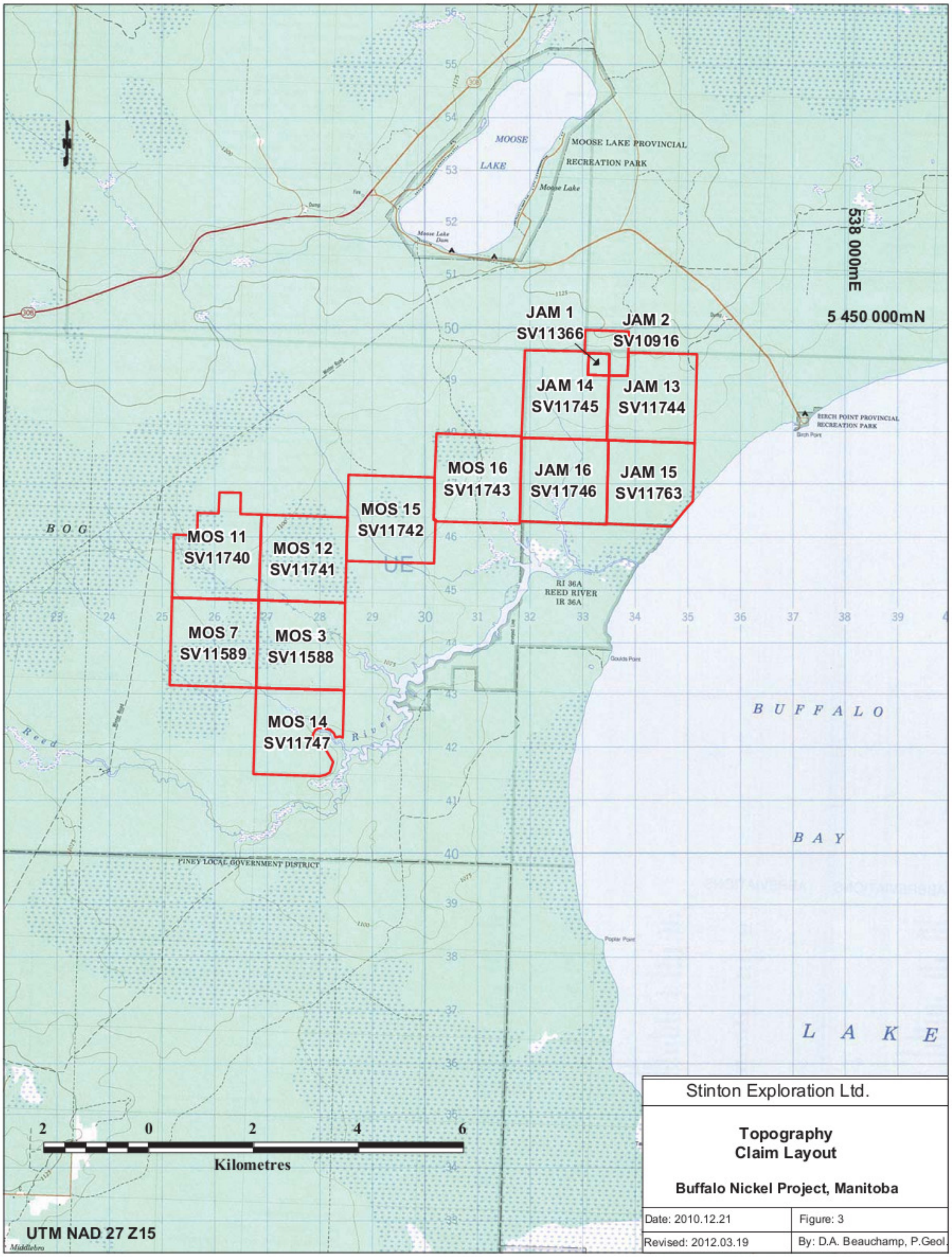


Figure 3: Topography Claim Layout



There are currently no known existing environmental liabilities to which the Property is subject. The surface waters of the claims drain east and southeast over lands owned by the Buffalo Point First Nation. The Property is otherwise free of liens or pending legal actions, back-in rights, payments or other encumbrances.

There are no known land improvements, mineralized zones, mine workings or tailings ponds on the Property. The Property is at an early stage of exploration and permits are required from the Manitoba Innovation, Energy and Mines before building trails and road access. These permits are available to the Issuer pursuant to Regulation 64/92 of The Mines and Minerals Act.

Accessibility, Climate, Resources, Infrastructure and Physiography

Access

The Property is located about 150 km southeast of Winnipeg, Manitoba, and 16 km north of the boundary within the state of Minnesota, USA.

From Winnipeg, the Property area can be reached by traveling along the TransCanada Highway toward the east for 117 km, then south on Highway 308, with the road initially paved until reaching East Braintree where the road changes to gravel, for a distance of about 64 km along the west side of Moose Lake.

Travel is then toward the Property along a gravel road for about 9 km, from which access to the northeast corner of the Property is by an old trail. The trail can be used by all-terrain vehicles to provide access to the Property and could possibly be extended to the areas of interest.

The Greater Winnipeg Water District (GWWD) Railway extends along the TransCanada Highway from Winnipeg to near the Ontario Boundary and the CNR Railway line is a further 23 km to the north.

An alternative access route from Winnipeg is along the TransCanada Highway, for about 48 km, then south for about 120 km along Highway 12 toward Steinbach to South Junction and Sprague, then north 32 km along Highway 308 to Moose Lake. Another CNR Railway traces this path and then cuts south for 62 km into Minnesota before reentering Canada at Rainy River, Ontario.

A major international airport is located at Winnipeg and a secondary airport is present at Steinbach.

Climate

Southeastern Manitoba has a continental climate, with generally stable weather. Summers are usually warm with temperatures rising to 30-35˚C. Winters are normally cold, with temperatures dropping to as low as -35˚C. Snow conditions are variable and most of the precipitation falls during the summer.

Resources and Infrastructure

Winnipeg is located about 200 km and 2 ½ hours by road from the project area. As a major supply location and the capital of the province any equipment, supplies and manpower is readily available from Winnipeg. The road is along the paved four-lane TransCanada Highway for about 125 km and then by a well-maintained gravel road to the Property.

Older winter roads are on maps to the north within one or two kilometers of the Property and could be investigated for additional access to the Property.

The Reed River First Nation Reserve is located immediately southeast of the project area on the shore of Buffalo Bay, and the Buffalo Point First Nation Reserve is located about 12 km south, along the border with the United States. The First Nations have identified a region with a radius of 30 km which has been termed a Community Interest Zone, which entitles them to be notified prior to any land development taking place. The Buffalo Nickel Project is entirely within the Buffalo Point First Nation Reserve Community Interest Zone (see Figure 4).

Other than mineral exploration, current industry activity in the immediate area includes several peat processing plants 18 and 28 km north, 40 km northeast and 55 km northwest of the Property (Domsodi and Hajdu, 1982). The peat processing plants are secured by quarry leases over their properties. Another quarry lease is present about 9 km west of the Buffalo Nickel Property.

There are no registered trap lines in the area.

Physiography

The terrain of the immediate region is relatively flat and low-lying, and is part of the Agassiz Lowlands section that covers parts of western Ontario, southeast Manitoba and northern Minnesota. The region was covered by Glacial Lake Agassiz at the end of the Wisconsin Ice Age when drainage to the north was obstructed by the receding glaciers.

The topography is that of a flat glacial lake plain containing low-lying moraines and sand beach ridges and extensive bogs are present throughout the area. Over a distance of about 20 km the maximum rise is about 140 m.

The vegetation of the area is part of the Laurentian mixed forest and consists of aspen, birch, jack pine and spruce. The region is in a transition zone between boreal forests to the north and broadleaf deciduous forests to the southeast.

History

Although the area is underlain by Archean volcanosedimentary belts that have been intruded by felsic and mafic bodies, since there are so few outcrops in the region much of the knowledge of the area's geology has been derived from the airborne and ground geophysical surveys that were followed by a few diamond drilling programs. Most of the information presented below is from assessment reports submitted to the Manitoba government (see Figure 5).

The first recorded exploration program in the area was performed in 1961, when Selco Exploration Company Limited ("Selco") flew an airborne electromagnetic (EM) and magnetometer survey about 50 km northwest of the Property (Lazenby, 1961). The survey covered about 164 km² over mafic volcanic rocks and identified three EM conductors with coincident magnetic anomalies in the southern part of the survey area, and another eight conductors with coincident magnetic anomalies toward the northern part of the area. The company estimated that there was little overburden in the northeastern part of the area, increasing to a maximum of 60 km in the southwest part of the survey area. There is no report of follow-up surveys.

In 1962, another combined magnetic and electromagnetic survey was flown for Selco to the north of Whitemouth Lake, about 30 km northwest of the Property and most of the 45 conductors that were identified were followed up with gravity surveys. Of these, two were drilled, revealing narrow bands of barren pyrrhotite and pyrite in metamorphosed iron formation.

Figure 4: Special Areas

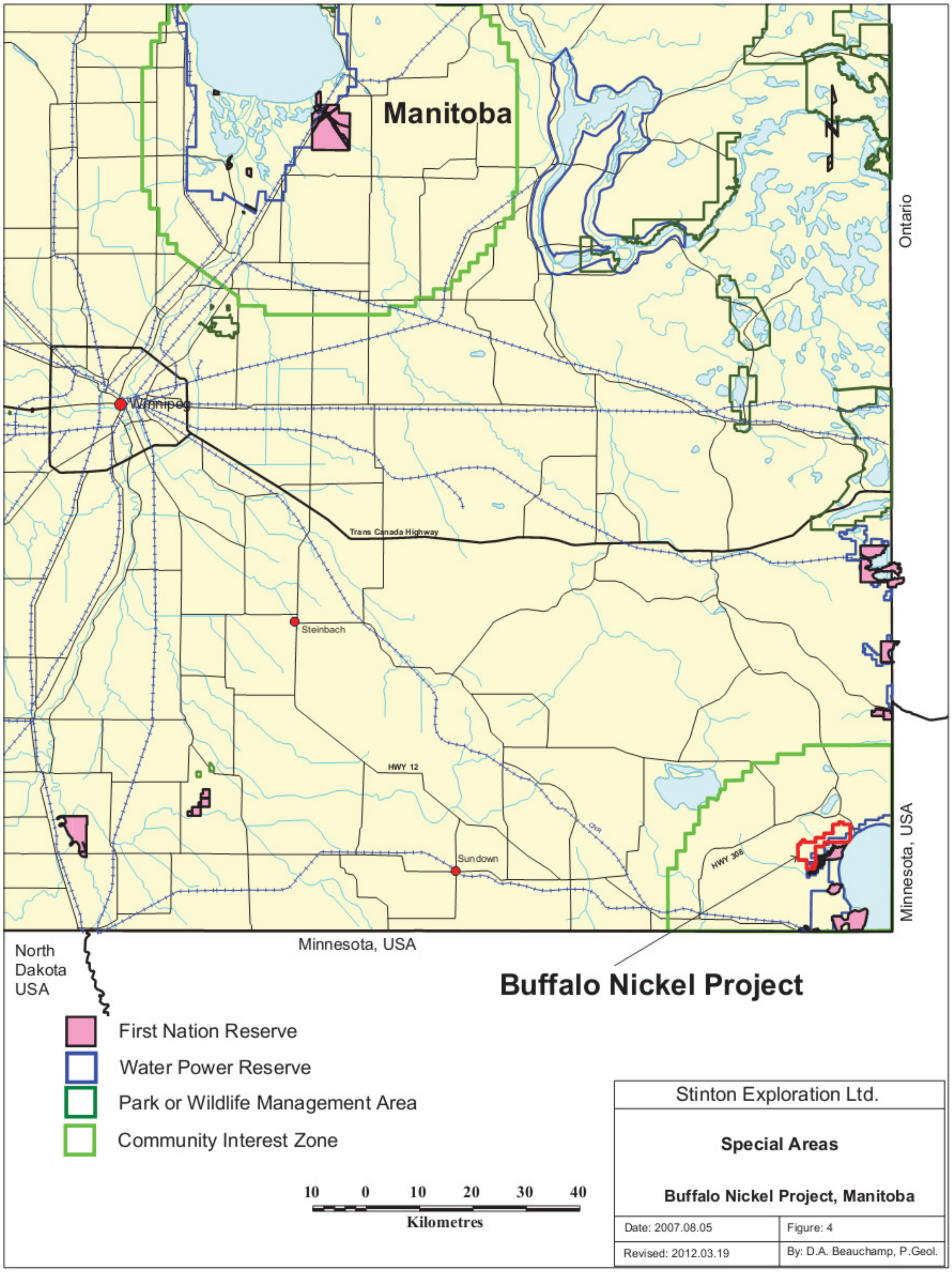
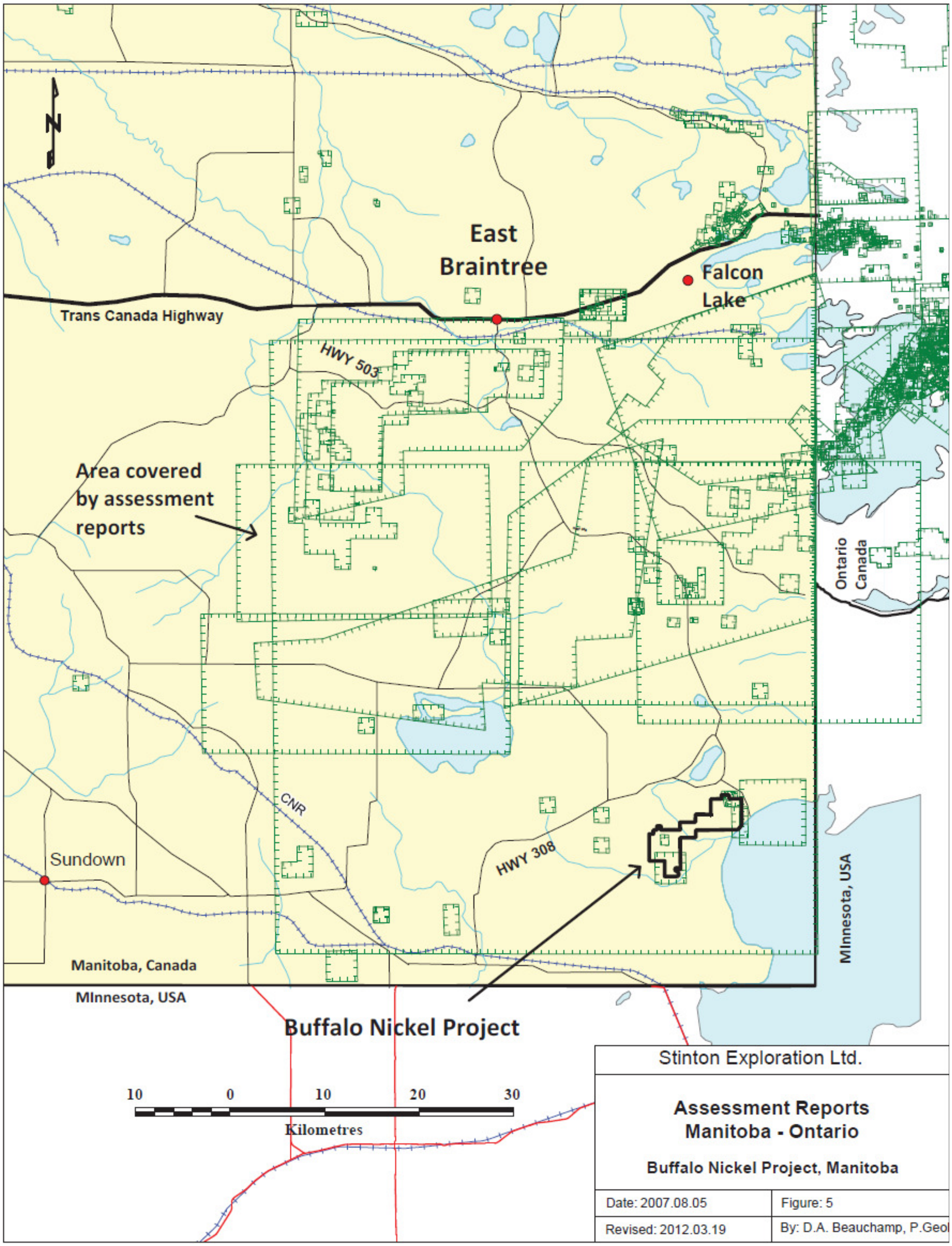


Figure 5: Assessment Reports Manitoba – Ontario



In 1965, Texas Gulf Sulphur Co. flew an airborne geophysical survey over the belt of volcanic rocks from about 15 km north of the Property to the Manitoba-Ontario boundary about 35 km northeast of the Property (Watson, 1967). The survey gave poor results because of a malfunctioning magnetometer and because of equipment and geological noise, attributed to flying at 40 m above terrain over conductive overburden, and because of atmospheric noise, the result of intense thunderstorm activity in the area.

Nevertheless, a few significant anomalies were identified. Two of these anomalies were followed up with ground geophysical surveys and drilled. One hole intersected andesite containing 30-50% pyrite and pyrrhotite over 5 m, and another hole reported 5-10% pyrrhotite and pyrite over about 16 m, including moderately coarse sphalerite over about 6 cm and a visual estimate of 0.4% copper. No assays were reported and no additional surveys were submitted for assessment.

In 1971, Asarco flew an airborne electromagnetic and magnetometer survey over a large area about 16 km north of the Property over the belt of volcanic rocks (Hendry, 1971). Although the interpretation was hampered by conductive overburden, at least four conductors and three single line anomalies were recommended for follow-up. The entire region is covered by thick glacial till and lacustrine deposits from Glacial Lake Agassiz. There is no report of follow-up exploration work.

In 1982 another airborne electromagnetic survey was flown about 30 km northwest of the Property, to the north and west of Whitemouth Lake. Although most of the anomalies identified were attributed to conductive overburden, four zones of interest were recommended for follow-up work (DeCarle, 1982).

In 1982 Selco performed another airborne geophysical survey over a large area north of Whitemouth Lake. Three of the 14 conductors identified were recommended for follow-up work and the depth of the conductors was estimated at 60-90 m (DeCarle 1982). No further work was submitted as assessment by Selco.

In 1982 and 1983 File Explorco flew an airborne electromagnetic and magnetometer survey about 35 km north of the Property. Several zones were identified for follow-up (Desnoyers, 1984a and 1984b). In 1983, the company performed ground horizontal loop EM and magnetometer surveys on several grids and later drilled eight holes for a total of 1,254 m north of Whitemouth Lake about 44 km northwest of the Property (Desnoyers, 1984c).

Although significant base or precious metal anomalies were not detected, the company identified felsic flows and quartz porphyry and additional work was recommended. The company also carried out ground geophysics on two areas located 40 and 50 km north of the Property. In 1984, diamond drilling of 192 m in five holes intersected massive and semi-massive pyrite and pyrrhotite in felsic to mafic volcanics and in quartz feldspar porphyry. The samples of core submitted for analysis returned maximum values of 260 ppm Cu, 1700 ppm Zn, and 41 ppb Au in three separate samples.

Drill hole 49-A2 intersected 11 m of moderately conductive but non-magnetic ultramafic rock containing 2-3% pyrite starting at the overburden-bedrock interface. The rock may have lost its magnetic character as a result of pre-glacial weathering near the surface. Analyses for copper, zinc, silver and gold gave background values. The hole drilled at a dip of -60° intersected mostly metasedimentary rocks dipping 27-35° to core axis further down the hole.

In 1984, File Explorco carried out ground magnetic and electromagnetic surveys on several grids located 16-30 km north of the Property. Several discontinuous, vertical or north-dipping conductive features were identified and one drill hole was reported. Metavolcanic rocks and paragneiss were intersected and slightly anomalous values were reported for zinc and copper.

In 1987, Almaden Resources Corporation ("Almaden") carried out an airborne magnetic and electromagnetic survey over an area north of Whitemouth Lake, about 25 km northwest of the Property. Ground follow-up consisted of horizontal loop EM and magnetometer surveys over strong airborne anomalies. Basal till sampling was carried out in 33 holes in the overburden and five late Wisconsin glacial tills were identified, two of which were from the northeast and three from the northwest (Brown, 1988).

In 1987, in a joint venture with Polestar Exploration Inc., Almaden also contracted an airborne magnetic and electromagnetic survey over an area located about 55 km northwest of the Property where many airborne anomalies were identified. Ground magnetometer, horizontal loop EM and induced polarization (IP) surveys were followed by three reverse circulation drill holes totalling 194 m, and five diamond drill holes totalling 802 m. Additional work was recommended on several anomalies (Wolfe, 1987).

In 1987, Granges Exploration Ltd. ("Granges") contracted A-cubed of Mississauga, Ontario, to perform an airborne magnetic and electromagnetic survey over an area of 264 km^2 to the west of Buffalo Bay and covering the Property claims (see Figure 6). This data was not submitted for assessment but was acquired by a colleague of Mr. Hood and provided to the author of the technical report.

The survey was carried out at a line spacing of about 300 m along flight lines oriented northwest and north. The magnetometer data shows gradients striking mostly northeast with cross-cutting faults striking northwest and also shows the outlines of several large batholiths. The EM data identified several conductors that extend for up to two km, and many single-line anomalies, particularly on the Property.

Later in 1987, Granges followed up the airborne survey by carrying out horizontal loop electromagnetic surveys on 12 grids in eight areas, including four grids on the Property area (see Figure 7). The ground EM surveys confirmed most of the conductors identified by the airborne survey. Although none of the five drill holes was performed on the Property, all intersected massive granodiorite with 67 to 98 m of overburden, and geochemical analyses for gold, silver and zinc proved to be low (O'Donnell, 1990). The company suggested that a saltwater aquifer in sand and clay in the overburden at a depth of about 150 feet (46 m) may be responsible for the ground EM anomalies.

On the four grids that were surveyed by ground geophysics on the current Property in 1987, several conductors were confirmed but none of these were drilled. The hole closest to the Property that was drilled by Granges is 12 km to the west-northwest.

In 1988, Granges performed additional horizontal loop EM surveys on 17 grids and 23 diamond drill holes for a total of 2,041 m on a property of 31,080 hectares about 50 km northwest of the Property (Zbitnoff, 1989a and 1989b).

Figure 6: Airborne Survey HLEM and Magnetometer Granges Exploration

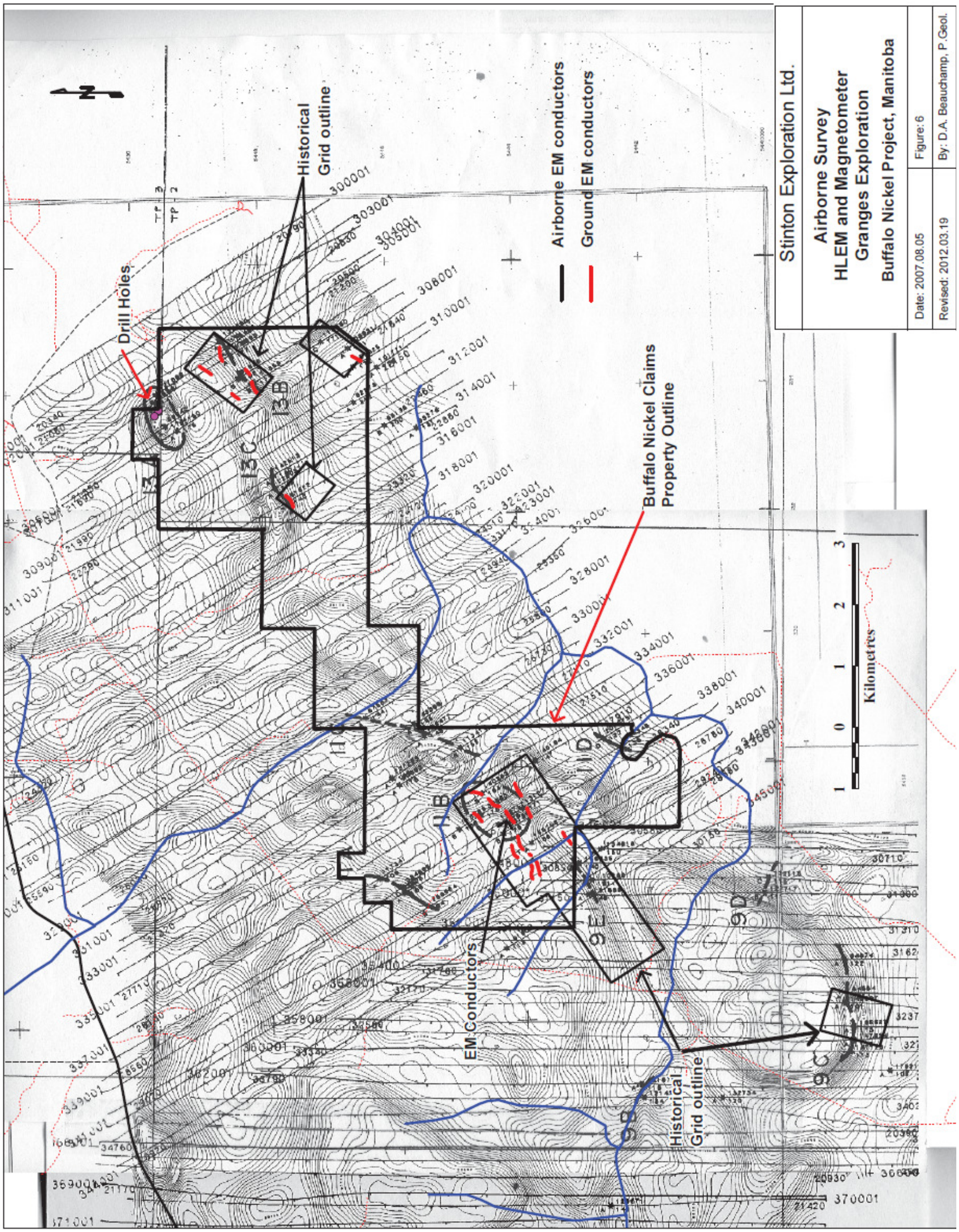
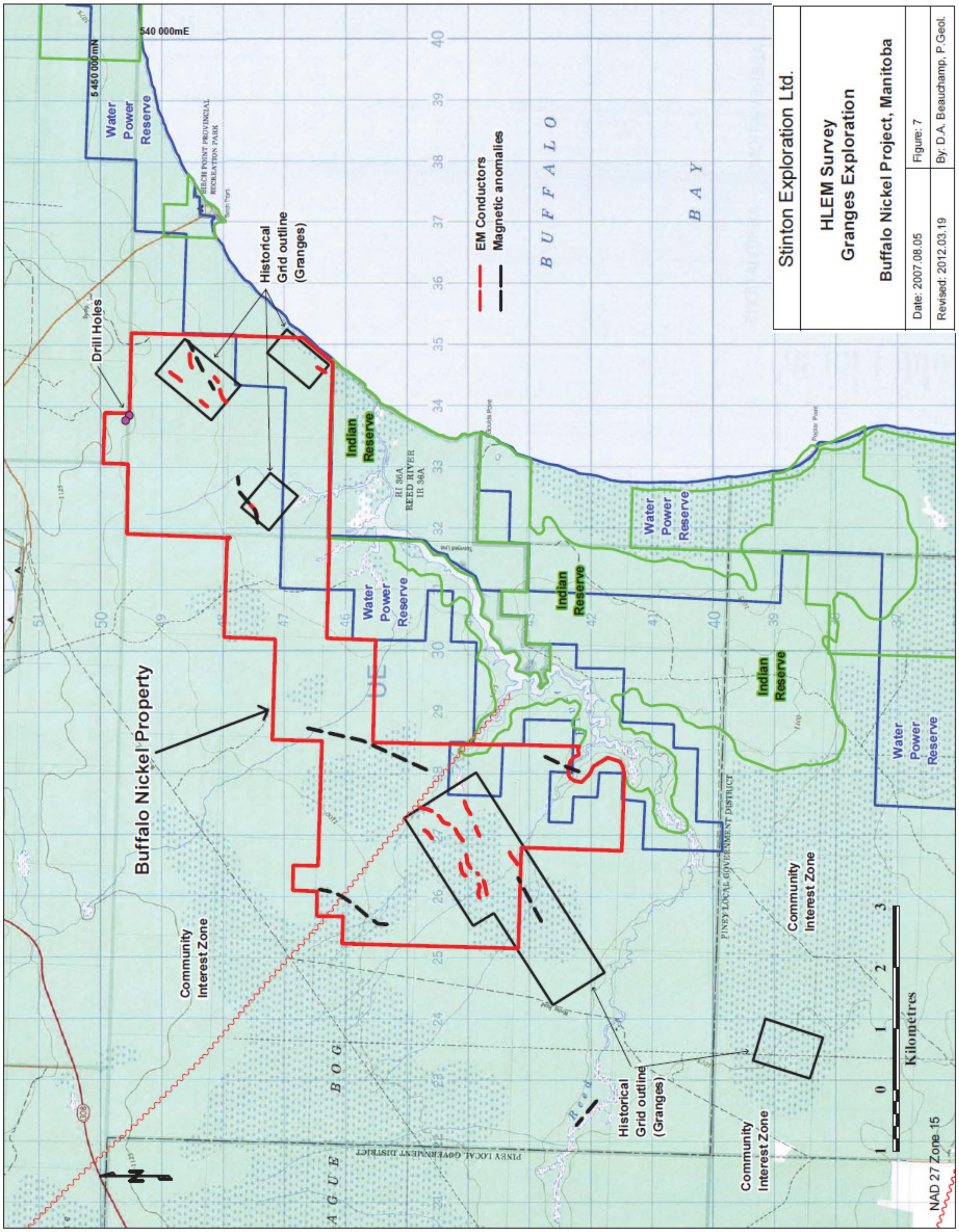


Figure 7: HLEM Survey Granges Exploration



In 1993, Indicator Explorations Ltd. ("Indicator"), a private company held by John Lee, of Winnipeg, acquired many widely-scattered claims in the region that were staked over regional airborne magnetic anomalies identified on a map published by the federal government (Lee, 1994). The map was from a survey that had been flown in 1957 at 400 m line spacing. The claims were acquired as possible targets in the search for kimberlite. In 1995, Rhonda Mining of Calgary staked many additional claims also in the search for kimberlite in the area.

In 1991 and 1992 a program of till sampling and overburden drilling was undertaken by the Geological Survey of Canada in cooperation with Manitoba Energy and Mines (Thorleifson and Matile, 1993). A total of 149 surface samples were taken and 23 holes were drilled to bedrock in southeastern Manitoba in the search for kimberlite indicator minerals. Samples were sieved and analyzed for many elements, and the mineralogical and rock type composition was determined for the samples.

Samples collected near the bedrock in one of two holes drilled to bedrock south and southwest of the Property show anomalous values for mafic elements. Located about 11 km southwest of the Property, drill hole J encountered values of 720 ppm Cr (background 59.8 ppm), 8.5% Fe (2.21%), 200 ppm Ni (16 ppm), 220 ppm Zn (52 ppm), 50 ppm Co (8 ppm) at a depth of about 38.6 m, at the base of the till.

The geochemical analysis of the <0.063 mm fraction was performed by INAA (instrumental neutron activation analysis) and similar anomalies were reported from analyses of the heavy mineral concentrates and by ICP (inductively coupled plasma) on the samples which were composed mostly of granitic pebbles. Bedrock was reported as greenish-grey very fine-grained metavolcanic rock.

Drill hole 1, located 11 km south of the Property, reported mostly background values for all elements and bedrock was reported as green, very fine-grained mafic metavolcanic and ultramafic rock with white feldspar phenocrysts.

Four surface till samples taken 6.5 km north of the Property and three others taken near the United States boundary 10-12 km to the southwest showed low values for most elements and few indicator minerals.

In 1994, Indicator performed a ground magnetometer survey on a small claim about 30 km west of the Property and concluded that because of the shape and amplitude, the anomaly could be caused by a kimberlite. Depth to bedrock was estimated at 70 m. Early in 1995, the company carried out ground magnetometer surveys over its claims, and two of these grids were surveyed in the northeastern part of the Property.

Elsewhere on the Kim 20-21 claims an oval-shaped magnetic depression from the airborne data was ground tested and found to be undetectable on the ground geophysical survey. The data was very noisy and filtering of the data did not succeed in identifying the magnetic depression.

On the JAM 25 claim (located on the current JAM 2 claim), a positive aeromagnetic anomaly of 130 nT on the airborne survey was replicated on a ground survey and found to be 400 nT on the ground. The anomaly was estimated to be 350x500 m, elongated east-west, and bedrock was estimated to be at a depth of 50 m. It was thought to be related to a diatreme of possible kimberlitic origin and the anomaly was recommended for drilling.

In mid-December, 1995, the JAM 25 claim was drilled and drill hole SEM 95-2 intersected the regolith at 66 m and, although poor recovery of the following 32 m of core, intersected foliated granodiorite at depths from 89 to 98 m. (see Figure 7, drill holes).

In 1996, Indicator drilled rotary/percussion drill holes SEM 96-4 and, about 105 m to the northwest, SEM 96-5 in the same area in the search for kimberlite. SEM 96-4 intersected 68.4 m of overburden, followed by 19 m of kaolinized granodiorite, followed by fresh granodiorite to 90.7 m. Low values were reported for magnesium, chrome and vanadium.

Drill hole SEM 96-5 was centered on the magnetic anomaly about 105 m northwest of SEM 96-4 and intersected peridotite at a depth of 65.5-90.8 m. Petrograhic studies confirmed that the rock is partially altered peridotite. Two whole rock analyses from fresh rock at 87-88 m reported 43.9 and 46.9% SiO2, 29.2 and 27.7% MgO, 0.07 and 0.06% K2O and 0.64 and 0.74% Na2O.

As a result of surface weathering the values are lower at shallower depths but from 65 m to the end of the hole increase rapidly to more than 1,500 ppm Cr, 39% MgO and greater than 1,000 ppm Ni. Values for silica decrease over the same interval.

The peridotite body has been estimated at 50 m wide, elongated 400 m east-west and dipping south.

In 2000, Avalon Development Corp. performed geological mapping, magnetometer surveys and rock sampling on tantalum-bearing pegmatite about 55 km north of the Property, and in February 2001, ten holes were drilled for a total of 1,442 m and additional drilling of 1,800 m was recommended (Pederson, 2000).

In 2004, William C. Hood carried out sampling of overburden at two sites east and north of the Property for kimberlite indicator minerals in the search for kimberlite. No indicator minerals were identified in the samples. The northernmost sample of overburden is predominantly from the northeast and composed of pebbles mostly sourced from the Precambrian while the eastern samples is sourced mostly from the Paleozoic carbonate to the northwest (Hood, 2004a).

In 2004, William C. Hood performed several small geochemical and geophysical surveys on single claims in the Whitemouth area about 30 km northwest of the Property (Hood, 2004b).

Apart from the Property, the only current valid claims in the region are located 23 km north of the project area where 16 claims owned by William C. Hood cover areas mapped as mafic volcanic rocks. These claims adjoin several others owned by William C. Hood to the east in Ontario. About 50 km northwest of the Property, 33 claims are owned by Shaun Spelliscy and two claims are owned by Jean-Pierre Neault in a square block. Claim data for Minnesota is difficult to obtain and no data is available on this area.

Several quarry leases for mining of peat are valid 9 km and 20 km to the west. A few are located 10 km to the north but a major quarrying operation is centered about 23 km to the north of the Property.

Geological Setting and Mineralization

The Property is underlain by rocks of the Wabigoon Subprovince, which forms part of the Superior Province (see Figure 8). The Superior Province is a significant geological constituent of the Canadian Shield that covers most of the north-central and north-eastern parts of the North American continent and is composed of rocks of early and middle Archean age that were accreted during the period 2.77-2.72 Ga. After accretion, the Superior Province underwent rifting and faulting, basin sedimentation and the injection of mafic dyke swarms during the Proterozoic.

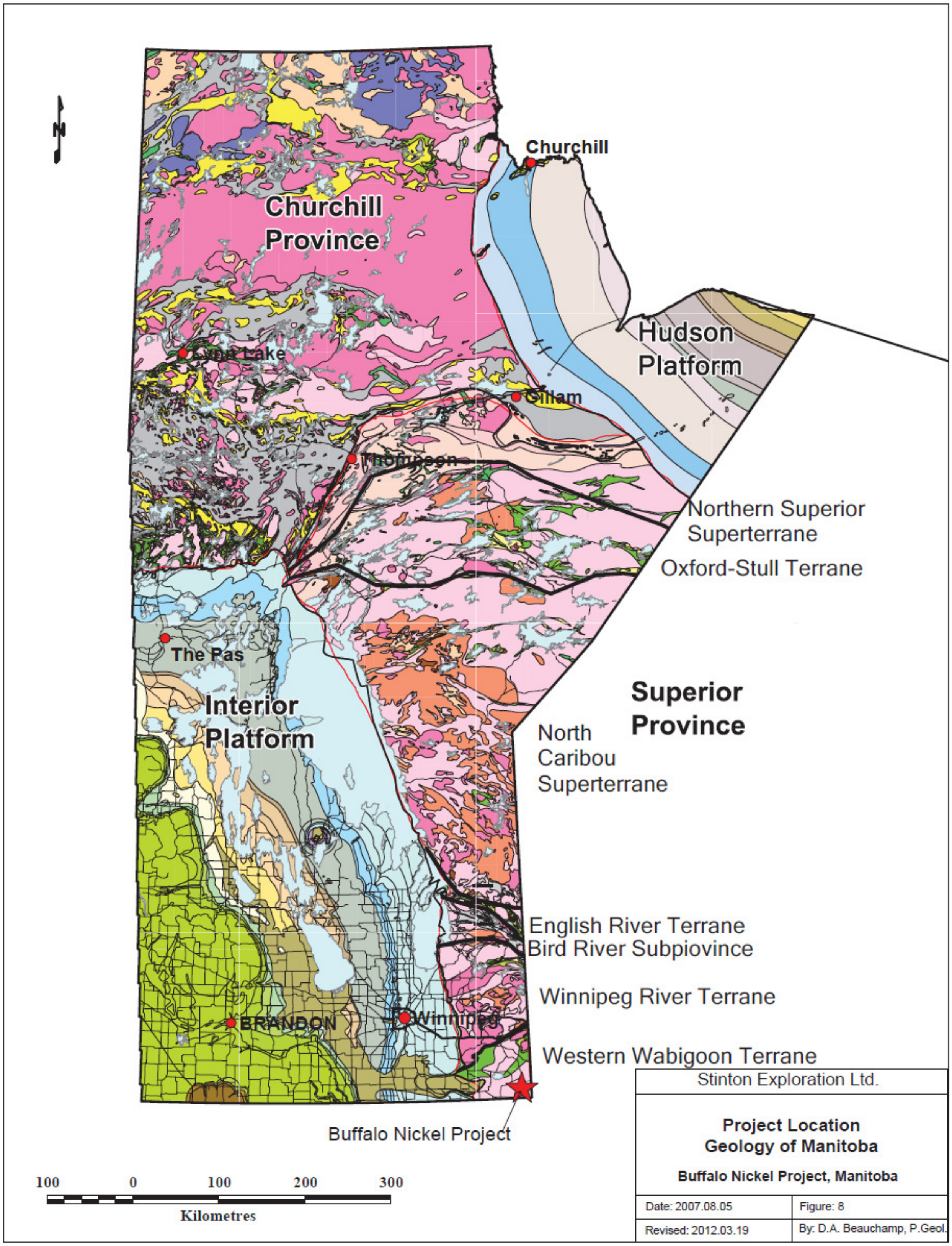
Regional Geology

The Wabigoon Subprovince is about 100 km wide and extends about 900 km from southern Manitoba and Minnesota, eastward to the Proterozoic cover of the Nipigon Embayment. Further east, it is covered by the Phanerozoic rocks of the Hudson Bay Lowlands. It may extend to the east of James Bay into Quebec, near the Opinaca River Belt. In central and western Manitoba the Wabigoon Subprovince extends to the west-southwest under the Phanerozoic rocks of the Western Plains where it is cut by the Trans-Hudson Collisional Orogeny.

The following description is largely from Percival (2006). The Wabigoon Subprovince, aged 2.77-2.72 Ga, amalgamated with rocks of the Winnipeg River Subprovince to the north, aged 3.5-2.8 Ga, at about 2.72 Ga and the combined Wabigoon-Winnipeg River Subprovince collided with the southern edge of the Superior Province at about 2.7 Ga. The English River Subprovince, composed of turbidite and located north of the Winnipeg River Subprovince, is thought to have formed as a result of the subduction of Wabigoon-Winnipeg River terrain under the Superior.

The Property is located in the western part of the Wabigoon Subprovince, about halfway between the contacts with the Winnipeg River Subprovince to the north and the Quetico Subprovince to the south.

Figure 8: Project Location Geology of Manitoba



Gravity surveys carried out in the western part of the Wabigoon Subprovince indicate that the greenstone belts in the Property area may extend to a depth of about 5 km, the batholith complexes to 4-7 km and the late plutons to about 2 km (Card, 1990).

The Western Wabigoon Subprovince contains mostly belts of supracrustal mafic volcanic and sedimentary rocks that have been intruded by large plutons. The supracrustal rocks were emplaced over basement rocks dated at about 2.9 Ga.

The volcanic rocks are dated at 2.74-2.72 Ga and are of tholeiitic composition, representing ocean floor environments, or of calc-alkaline composition representing arc environments. Local sedimentary sequences are present within the belts of volcanic rocks. The plutonic rocks are slightly younger at 2.73-2.66 Ga and the composition ranges from granodiorite to tonalite, diorite, and gabbro.

About 65% of the rocks in the Wabigoon Subprovince are of plutonic origin and 35% are supracrustal rocks, of mostly amphibolite to granulite facies metamorphism. Of the supracrustal sequences, about 90% are mostly tholeiitic and calc-alkaline volcanic rocks and 10% are sedimentary rocks.

Located 57 km north of the Property and 10 km south of the contact with the Winnipeg River Subprovince, the Falcon Lake Intrusive Complex is a concentrically-zoned mafic intrusion similar to an Alaskan-type intrusion, including an elliptical shape, and concentric bands with tholeiitic to alkaline geochemical composition that intruded the supracrustal volcanosedimentary assemblage that extends west from the Lake of the Woods greenstone belt in Ontario. It has been interpreted to be a late-to-post-tectonic intrusion composed of gabbro and diorite. Two breccia pipes from the centre of the complex contain gold associated with sulphides in the concentric fracture system.

Located south of the Wabigoon Subprovince, the Quetico Subprovince is composed of mostly steeply-dipping greywacke aged 2.69 Ga, and of migmatite and intrusions consisting of tonalite, mafic to ultramafic intrusions, nepheline syenite and carbonatite.

Throughout the area, extensive zones of glacial till and lacustrine clay from glacial Lake Agassiz, of Pleistocene age, cover the bedrock to a depth of up to 95 m. The immediate project area is underlain by organic deposits composed of peat and muck, of very low wetland deposits accumulated in fen, bog, swamp and marsh settings (Matile, 2004).

Local Geology

Much of the geology in the local area has been interpreted from a few outcrops located in the northern part of the region, from airborne and ground magnetic surveys over the area, and from a few drill holes (see Figure 9).

The Property is situated near the centre of the Wabigoon Subprovince which is underlain by belts of Archean basaltic and andesitic volcanic rocks, occasionally komatiitic, intercalated with tuff, iron formation and sedimentary rocks. The belts strike generally east-northeast and have been intruded by Archean batholiths of granodiorite, quartz diorite and quartz monzonite, some of which have a core of granite. The granitic rocks have also been stretched to the east-northeast (see Figure 10).

All rocks have been cut by major faults striking west-northwest and northwest that have both left-lateral and right-lateral displacements. Near the southern boundary of the Wabigoon Subprovince with the Quetico Subprovince 70 km to the south, several major fault zones appear to be thrust zones that may have been created when the Quetico Subprovince was thrust toward the north against the Wabigoon Subprovince.

Mafic and ultramafic intrusive rocks of Archean age dated at about 2680 Ma (Lassen et al., 2000) have been mapped within the Wabigoon and Quetico Subprovinces. These intrusions are earlier in age than the Proterozoic rift-related mafic sills of the Duluth Complex in Minnesota. In Manitoba, they have been mapped as anorthosite, gabbro and peridotite plugs up to 1.5x4.0 km, and are located 30 and 48 km north and 49 km northwest of the Buffalo Nickel Property.

Several of these mafic and ultramafic intrusions also occur in northern Minnesota within the Wabigoon and Quetico Subprovinces. Some of these intrusions have been studied and were described as Archean subvolcanic mafic and ultramafic sills that intrude Archean greenstone belts. They are composed of tholeiitic to komatiitic peridotite, pyroxenite, gabbro and diorite, have been interpreted as pre-tectonic to syn-tectonic in age, and are of low to moderate grade of metamorphism.

Figure 9: Regional Airborne Magnetic Survey Geological Interpretation

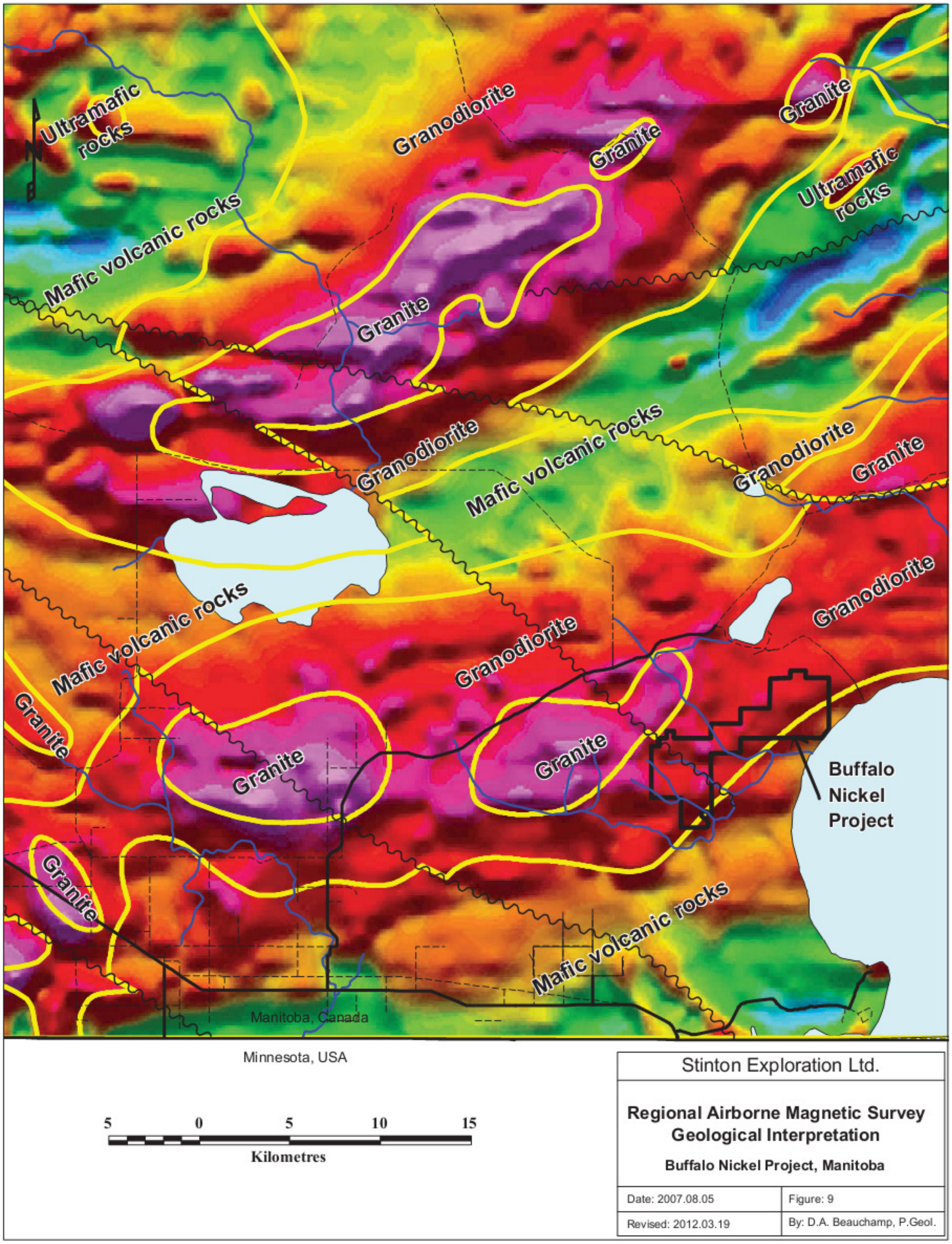
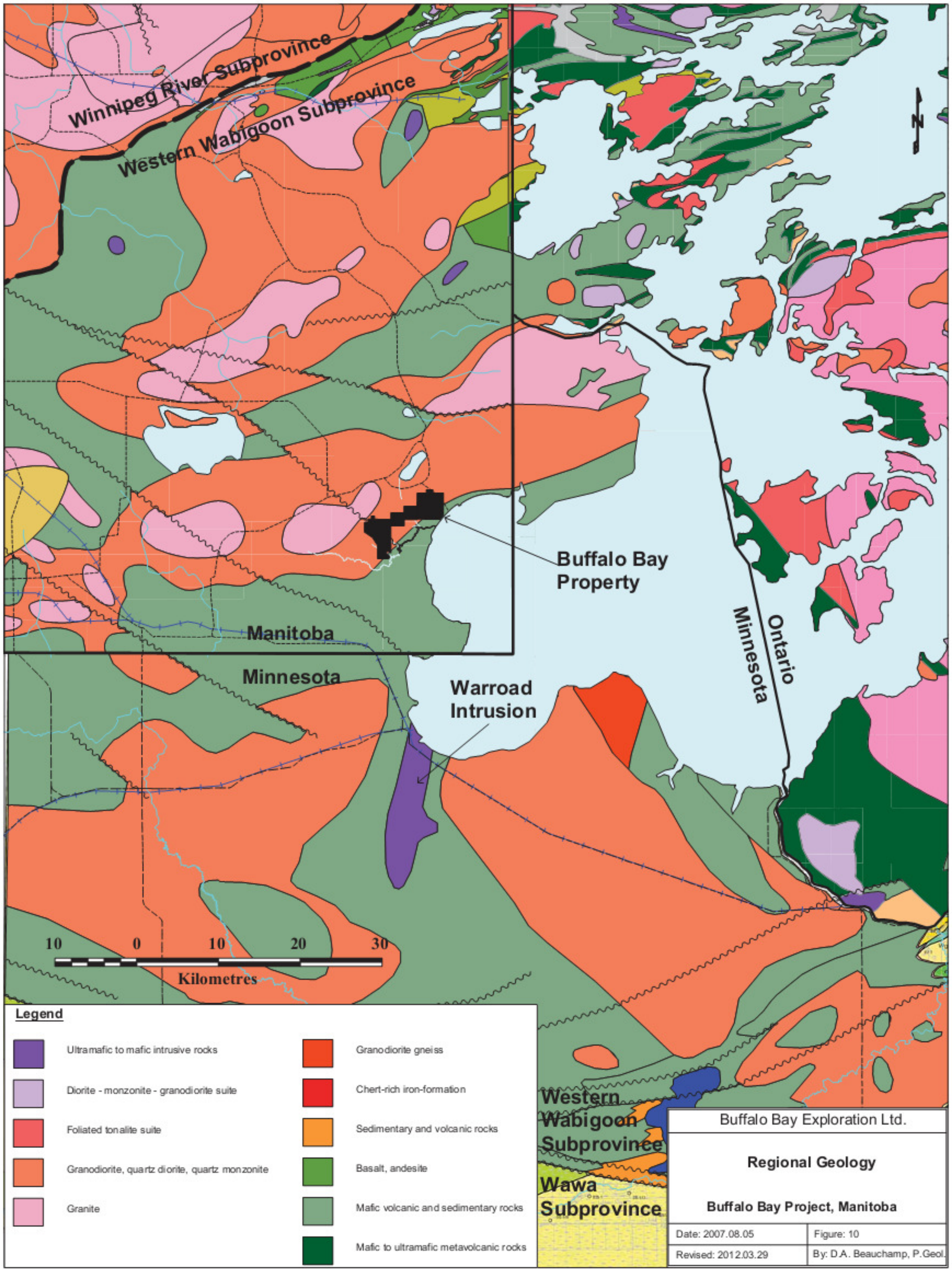


Figure 10: Regional Geology



At about 5x22 km, the Warroad intrusion is one of the larger mafic intrusions and strikes north. It is centered in northern Minnesota about 30 km to the south of the Property area and has been intersected in at least seven drill holes (Klein et al., 1999). The rocks from the northernmost drill hole, W13-1, consist of gabbro, pyroxenite and peridotite and one was reported to contain 28.7% MgO, 0.3% Cr, 0.19% TiO2 and 1,054 ppm Ni (Lee, 2002). The regional aeromagnetic survey indicates that the Warroad intrusion may extend north into Canada near the Buffalo Point First Nation Reserve, and possibly further northeast into Buffalo Bay.

One of the smaller mafic intrusions in Minnesota, the Winterfire intrusion, is located about 100 km southeast of the project area. It shows a sulphide-rich basal contact zone that reported values of 500-1,000 ppb Pd, 100-400 ppb Pt, and 50-200 ppb Au over 1-3-metre-intervals (Klein et al., 1999). About 50 km to the east, in the Rainy River area of Ontario, the intrusions have been extensively explored for platinum-group elements (Lassen et al., 2000).

A series of circular to elliptical aligned magnetic anomalies extending from the Warroad intrusion to the Buffalo Nickel Property and continuing as far north as the boundary between the Winnipeg River and Wabigoon Subprovinces has been termed the Warroad or Moose Lake Trend (Lee, 2002).

Deposit Types

The geological model for the exploration at the Property is based on nickel-copper vein-type deposits and on disseminated platinum group elements (PGE) in mafic and ultramafic intrusions.

Nickel-Copper Vein-Type Deposits

Nickel-copper vein-type mineralization occurs with PGE in mafic and ultramafic intrusions in many areas on every continent of the world. The deposits form in mafic and ultramafic magma that forms in the upper mantle and is injected in the crust along major deep-seated faults. These faults play an important role in the localization of the mafic intrusions and for this reason small and larger plugs of ultramafic intrusions can often occur in clusters over a strike length of several tens of kilometers.

The magma usually contains minor quantities of nickel, copper, cobalt, gold and platinum group elements with small quantities of sulphur. As the magma ascends, it cools and the metals coalesce with the sulphur to form immiscible droplets. Some of the sulphur can be sourced from crustal rocks that are incorporated into the magma as it rises (Eckstrand and Hulbert, 2006).

If the magma cools very slowly, the sulphide droplets gravitate to the base and may form layered sulphide-rich bands that can contain sufficient nickel, copper and cobalt to become economic, and PGE can be produced as by-products in nickel-copper deposits. If the magma cools more quickly, the copper and nickel sulphide remains disseminated and the economic metals become the PGE and gold which are dispersed in the magma. If there is insufficient sulphur, the metals will concentrate in the silicate minerals and the mineralization becomes sub-economic.

Magmatic deposits are currently the most important source of nickel-copper in the world. Although the deposits can be classified into several sub-types, the major sources of magmatic Ni-Cu-PGE are in Sudbury, Ontario, and at Noril'sk-Talnakh, Russia, but more common examples are at Thompson, Manitoba, at Raglan, Quebec, in the Kambalda, Australia, the Bushveld Complex in South Africa, at Voisey's Bay, in Labrador, and at Lac des Iles, Quebec.

In the Canadian Shield, there are many occurrences of magmatic nickel-copper-PGE deposits, many of which are being reevaluated and explored as a result of the recent increase in the value of these metals.

Four major types of nickel-copper deposits have been defined by Eckstrand and Hulbert (2006), as follows:

1. Meteorite-impact mafic melt sheet: deposits at Sudbury, Ontario are the only known examples in the world;

2. Rift-and-continental-flood-basalt-associated mafic sills and dyke-like bodies: Noril'sk-Talnakh, Russia; Jinchuan, China; Duluth Complex, Minnesota; Muskox, Nunavut; and Crystal Lake Intrusion, Ontario;

3. Komatiitic volcanic flows and related sill-like intrusions: Thompson, Manitoba; Raglan and Marbridge, Quebec; Langmuir, Ontario; Kambalda and Agnew, Australia; and Pechenga, Russia; and

4. Other mafic/ultramafic intrusions such as at Voisey's Bay, Labrador; Lynn Lake, Manitoba; Montcalm, Ontario; Giant Mascot, British Columbia; Kotalahti, Finland; Rana, Norway; and Selebi-Phikwe, Botswana.

Because of the nature of the geology of the Property area the model-type is of type 4.

The Montcalm nickel-copper deposit is located about 70 km west of Timmins, Ontario, and contains a total resource endowment of about 3.56 million tones to a depth of 300 m, with an average grade of 1.44% Ni, 0.68% Cu and low PGE content. These resources are not compatible with NI 43-101 and are not located on the Property. There is no certainty that such resources can be found on the Property. The sulphide mineralization is hosted within cumulate gabbroic rocks of the Montcalm Gabbroic Complex, dated at 2702 Ma that covers an area of 85 km². The intrusion is crescent-shaped over an area 8x15 km and has intruded iron-rich tholeiitic basalt, and calc-alkaline andesite and dacite (Barrie and Naldrett, 1990).

The Montcalm Gabbroic Complex is differentiated into a pyroxenite zone, a gabbro-anorthosite zone and an iron-gabbro. Four types of dykes cut the Complex, including peridotite, pyroxenite, gabbro and granitic dykes. The nickel-copper mineralization is concentrated along bands of sulphidic iron formation that have been identified from magnetic surveys.

Mineralization types at Montcalm include disseminated sulphide, massive and net-textured sulphide, and inclusion-breccia sulphide, the last two of which contain more than 50% sulphide, composed mainly of pyrrhotite, pentlandite and chalcopyrite with minor magnetite, pyrite and violarite ($(Ni, Fe)_3S_4$).

Another nickel-copper occurrence that initiated an important staking rush in 1998 is the discovery at Lac Rocher in northern Quebec where a drill hole intersected 10.8% Ni, 0.25% Cu, 0.23% Co, 601 ppb Pt and 363 ppb Pd over 3.2 m in gabbronorite and pyroxenite of the Archean Opatica Subprovince. The mafic rocks intrude the Nipukatasi Granite and Pegmatite Massif near the contact with paragneiss, iron formation, diorite and amphibolite (Bandyayera and Morin, 1999). The Opatica Subprovince has been compared to the Quetico Subprovince of the western Superior Province.

In the southern part of the Wabigoon Subprovince, 100 km southeast of the Buffalo Nickel Project area, massive and net textured sulphide mineralization was discovered by Nuinsco Resources in a mafic-ultramafic host at the Rainy River Project. Drill hole NR95-34 intersected 1.31% Ni, 0.94% Cu, 2.44% g/t Au, 1.25 g/t Pt and 3.32 g/t Pd over 4.86 m and later drill hole NR96-51 cut 0.54 g/t Au, 2.26% Cu, 3.81% Ni, 3.97 g/t Pt and 9.04 g/t Pd over 2.47 m. The mineralization was traced along a strike length of about 350 m and although the zone of mineralization appears small, the width has not been determined (Nuinsco, 2004).

About 1,200 m southwest of the intersection by Nuinsco, in 2011 Rainy River Resources Ltd. intersected massive pyrite and pyrrhotite in ultramafic rocks that have intruded altered dacite to rhyolite. The assays reported 3.6% Ni, 1.3% Cu, 1.38 g/t Au and 9.7 g/t Ag over 2.35 m. Two other holes were drilled nearby and intersected mafic and ultramafic rocks that contain sulphide mineralization (Rainy River, 2011).

Disseminated PGE Mineralization

Disseminated PGE mineralization often occurs in mafic and ultramafic rocks that have not undergone slow cooling process that is often associated with nickel-copper occurrences.

From the sampling and study of more than 100 different intrusions, Vaillancourt et al. (2002) developed a classification system for mafic and ultramafic intrusions based on the style of the intrusion and on the resulting PGE accumulations (see Table 2 below).

Vaillancourt et al. conclude that PGE mineralization occurs in mafic to ultramafic cumulate rocks that are typically in layered intrusions or layered flows, and is associated with many magma types, including komatiitic, tholeiitic, and alkaline magmas. The deposits occur in several rift-related settings and appear to be most significant in the largest intrusions.

Table 2
Classification of PGE Mineralized Intrusions of Ontario
(Vaillancourt et al., 2002)

Mineralization Type	Subtype	Examples	Tectonic Subdivision	Tectonic Setting	Composition	Chemical Affinity	Age (Ga)	Mineral Association
Type I (stratiform contact)		East Bull Lake, River Valley intrusion	SP	CR	M > UM	High-Al-TH	2.5	SUL
		Nipissing Diabase		Large dyke swarm	M >> UM	TH	2.2	SUL
		Coldwell Complex	MCR	CR	F-I >> M	ALK	1.1	SUL
		Seagull intrusion/ Wolf Mountain	MCR	CR	UM > M	TH	1.1?	SUL
Type II (stratabound disseminated)		Entwine Lake	WBG	RA?	I >> M	CAL	2.7	SUL
Type III (stratiform reef)	Lowermost zone	Coldwell Complex	MCR	CR	F-I >> M	ALK	1.1	MAG+ SUL
	Ultramafic zone	Chrome-Puddy Lake	WBG	Alpine intrusion?	UM >> M	TH?	2.7	CHR
		Nordica	AGB	RA	UM ~ M	TH	2.7	CHR
		Mann intrusion	AGB	RA	UM > M	TH - KOM	2.7	SIL
	Ultramafic-mafic transition zone	Centre Hill Complex	AGB	RA	M ~ UM	TH	2.7	SUL
	Mafic zone	Crystal Lake Gabbro	MCR	CR	M	TH?	1.1	CHR+SUL
Type IV (hydrothermally mobilized magmatic)		Lac des Iles	WBG	RA	M >> UM	TH	2.7	SUL?
Type V (tectonically /metamorphically mobilized)		Rathburn Lake		CR	M	TH?	~2.5?	SUL
Other		Otto Stock	AGB	RA	F-I > M	ALK	2.7	SIL+SUL?

Tectonic subdivision: WBG = Wabigoon, SP = Southern Province, AGB = Abitibi greenstone belt, MCR = Mid continent rift; Tectonic setting: CR = continental rift, RA = rifted arc; Composition: F = felsic, I = intermediate, M= mafic, UM ultramafic; Geochemical affinity: TH = tholeiitic, ALK = alkaline, CAL = calc-alkaline, KOM = komatiitic; Mineralogic association: SUL = sulphide, MAG = magnetite, CHR = chromitite, SIL = silicate.

Typical of such mineralization is in the far north region of Quebec at the Qullinaaraaluk occurrence, where Soquem discovered massive, medium-grained olivine pyroxenite with peridotite horizons of probable Archean age that occurs in an intrusion about 250mx750m (Clark, 2001). The mafic magma has intruded Archean migmatite dated at 2.7 Ga (Baker and Constantin, 2003). The intrusion appears to be unmetamorphosed and has been interpreted as being post-tectonic. Within the intrusion, an area about 10mx30m containing up to 70% sulphides has been mapped with values of up to 2.33% Ni. In other samples the values are up to 1.8% Cu, 0.27% Co, 140 ppb Au, 93 ppb Pd and 323 ppb Pt (Labbe et al., 2005). There have been no resource calculations on this occurrence.

A type-example that is geographically closer is the Lac des Iles PGE deposit within the Wabigoon Subprovince, in Ontario, 411 km east of the project area. The Lac des Iles mine operated for several years, suspended operations for about 18 months because of low metal prices but restarted production in April 2010.

North American Palladium Ltd. provided a mineral resource estimate of 8.6 Mt of indicated resources grading 6.29 g/t Pd, 0.419 g/t Pt, 0.395 g/t Au, 0.110% Cu, and 0.136% Ni, and 3.3 Mt of inferred resources grading 5.7 g/t Pd, 0.352 g/t Pt, 0.233 g/t Au, 0.074% Cu and 0.095% Ni. An additional potentially mineable resource of 11.3 Mt with similar grades was also reported (North American Palladium, news release dated August 16, 2010). These resources are compatible with NI 43-101 but are not located on the Property and there is no certainty that such resources can be found on the Property.

The palladium mineralization is low in sulphide content and occurs in the mafic igneous rocks of the Lac des Iles Complex, dated at 2.69 Ga, where the high grade material formed in a breccia zone that contains about 4 g/t Pd. Although the entire Lac des Iles Complex contains anomalous concentrations of palladium, only the Central Mine Block intrusion contains economic mineralization. Here, rock types include leucogabbro, melanocratic gabbro, pyroxenite and a few late pegmatite dykes.

Although the deposit has been compared to contact-type PGE mineralization where part of the host rock was assimilated, there is no evidence of assimilation and the mineralization is not located near the contacts. The type of mineralization is more closely associated with the large layered intrusions but the mineralization is in breccia. The Lac des Iles Complex is one of several mafic and ultramafic intrusions in a region about 40x40 km in extent and includes the Legris Lake, Tib Lake, Demars Lake, Wakinoo Lake, Towle Lake, Buck Lake, Taman Lake, and Dog River intrusions as well as several other smaller mafic and ultramafic intrusions (Pettigrew and Hattori, 2002).

Exploration

No exploration work has been reported on the Property area by the current Property owner in the last three years.

The last recorded or known exploration consists of ground geophysical surveys and diamond drilling by Indicator Explorations Ltd. in 1995-96 and an airborne survey that was carried out by Granges Exploration Ltd. prior to that in 1994. The airborne survey was not submitted for assessment to the government but was acquired by a colleague of the current claim owner.

Mineralization

A reverse-circulation drill hole intersected peridotite at depths of 55 m at the interface of overburden and bedrock down to a depth of 90 m and analyses of the material recovered show about 0.1% Ni in the unweathered section of the interval from 65 to 90 m. Analyses for platinum group elements have not been reported. There are currently no other mineralized showings or mineralization on the Property, but no outcrops have been reported on the Property.

Drilling

No drilling has been reported on the Property area by the current Property owner in the last three years.

Three drill holes were performed on the Property: one in 1995 and two in 1996 by Indicator Explorations Ltd. of Winnipeg.

Diamond drill hole SEM 95-2 intersected the regolith at 66.0 m, reported very poor recovery to a depth of 89 m because of kaolinization, and then foliated granodiorite to the end of the hole at 98 m. The source of the magnetic anomaly that was drilled was not intersected but “magnetic sediment clasts” were reported from the basal till.

In 1996, two rotary and percussion holes were drilled: SEM 96-4 and SEM 96-5. SEM 96-4 intersected kaolinized granodiorite from 68.6 m, then fresher granodiorite from 85.3 m to 90.7 m (EOH). About 105 m further northwest, SEM 96-5, centred on the magnetic anomaly, intersected magnetic peridotite at a depth of 65.5-90.8 m (Lee, 1996).

Sampling Method and Analysis

Sampling has not been performed by the Issuer or Mr. Hood, the current claim owners. The material available at the core laboratory is altered, and would be of limited usefulness and reliability in assessing the mineralization because it is from old drill cuttings.

Sampling was performed on the drill holes on the Property by Indicator Explorations Ltd. in 1995 and 1996. Although the samples were processed mainly for diamond exploration, whole rock and a few metal analyses were carried out on the core samples.

No outcrop has been mapped on the Property.

Sampling Preparation, Analyses and Security

Because outcrops have not been mapped on the Property, rock samples have not been analyzed by the author, by the Issuer or Mr. Hood, the current claim owners.

Data Verification

The author has not analyzed any rocks or core from the Property because outcrops have not been mapped.

The core available was examined at the provincial core laboratory in Winnipeg. The core from drill hole SEM-95-2 and the drill cuttings from reverse circulation drill hole SEM-96-5 were viewed with a binocular microscope. Although the material from SEM-96-5 is highly weathered and has the consistency of fine sand, the light apple green grains can be readily identified as serpentine, as identified by Lakefield Research in its report (Lee, 1996).

Mineral Resources and Mineral Reserve Estimates

Not applicable to this Property. Mineral resource estimates have not been performed on the Property.

Adjacent Properties

There are no immediately adjoining properties.

Other Relevant Data and Information

Not applicable to this Property.

Interpretation And Conclusions

Mineral occurrences and deposits of copper, nickel and platinum group elements are present in mafic and ultramafic intrusions in many parts of the Wabigoon and Quetico Subprovinces of the Canadian Shield.

Although there are no outcrops on the Property area, an airborne magnetic anomaly of 130 nT was confirmed by a follow-up ground survey to correspond to an anomaly of 400 nT elongated to the east. One of three drill holes in 1996 intersected highly altered peridotite from bedrock at 65.5 m to the end of the hole at 90.8 m.

An airborne magnetic and electromagnetic (EM) survey contracted by Granges Exploration Ltd. in 1994 shows this magnetic anomaly and several others, some of which are associated with single or multi-line EM conductors on the Property. Granges confirmed a number of them by ground geophysical surveys but did not drill any of them.

Since mafic and ultramafic bodies often occur in clusters, the presence of the drilled peridotite indicates that the other magnetic and electromagnetic anomalies are prospective for the discovery of additional, possibly mineralized, mafic bodies on the Property.

The peridotite drilled in 1996 has not been fully evaluated and none of the other magnetic anomalies that are associated with EM conductors on the Property have been drilled. The EM anomalies and conductors associated with some of the magnetic anomalies could represent zones of sulphides in mafic intrusions.

The Property deserves additional exploration.

Recommendations

Although some of the areas have been interpreted as granodiorite, a certain number of EM conductors and magnetic anomalies have not been adequately explained and a peridotite intrusion on the Property has not been properly evaluated.

It is recommended that an exploration program be carried out on the Property to further evaluate the potential for copper-nickel and PGE mineralization associated with a peridotite that has been identified in a drill hole and with other mafic and ultramafic intrusions that may be present along the EM conductors and magnetic anomalies that were identified 23 years ago on the Property and that have not been assessed.

Since outcrops have not been identified on the Property and overburden appears to be at least 30-50 m thick, a ground geophysical program consisting of horizontal loop EM and magnetometer surveys is recommended.

Because of the swampy and low-lying nature of the terrain, the work should be carried out in late fall and winter. Depending on how cold the season, the grid work and ground geophysics could be started in early February, followed by drilling in early March, when the ground is still frozen.

The initial Phase 1 exploration program should comprise about 45 line km of ground magnetometer and horizontal loop EM surveys centred over three grids with known peridotite in the northeast part of the Property and with coincident EM conductors and magnetic anomalies elsewhere (See Figure 11). On Figure 6, these areas correspond to zones 13A, B and C, and 11B.

Alternatively, an airborne magnetometer and EM geophysical survey could be carried out over the Property if the costs were comparable. The quality and accuracy of airborne surveys are excellent and sufficiently accurate to plan diamond drilling if the results justified it. Results of airborne surveys are as good as ground surveys but they are usually more expensive on smaller projects such as the Property because of costs of mobilization and minimum survey size.

An additional advantage of an airborne survey is that it could be carried out at any time of the year. If a geophysical contractor were shipping equipment across the country or to the region for another property owner, the Issuer could take advantage of these reduced costs.

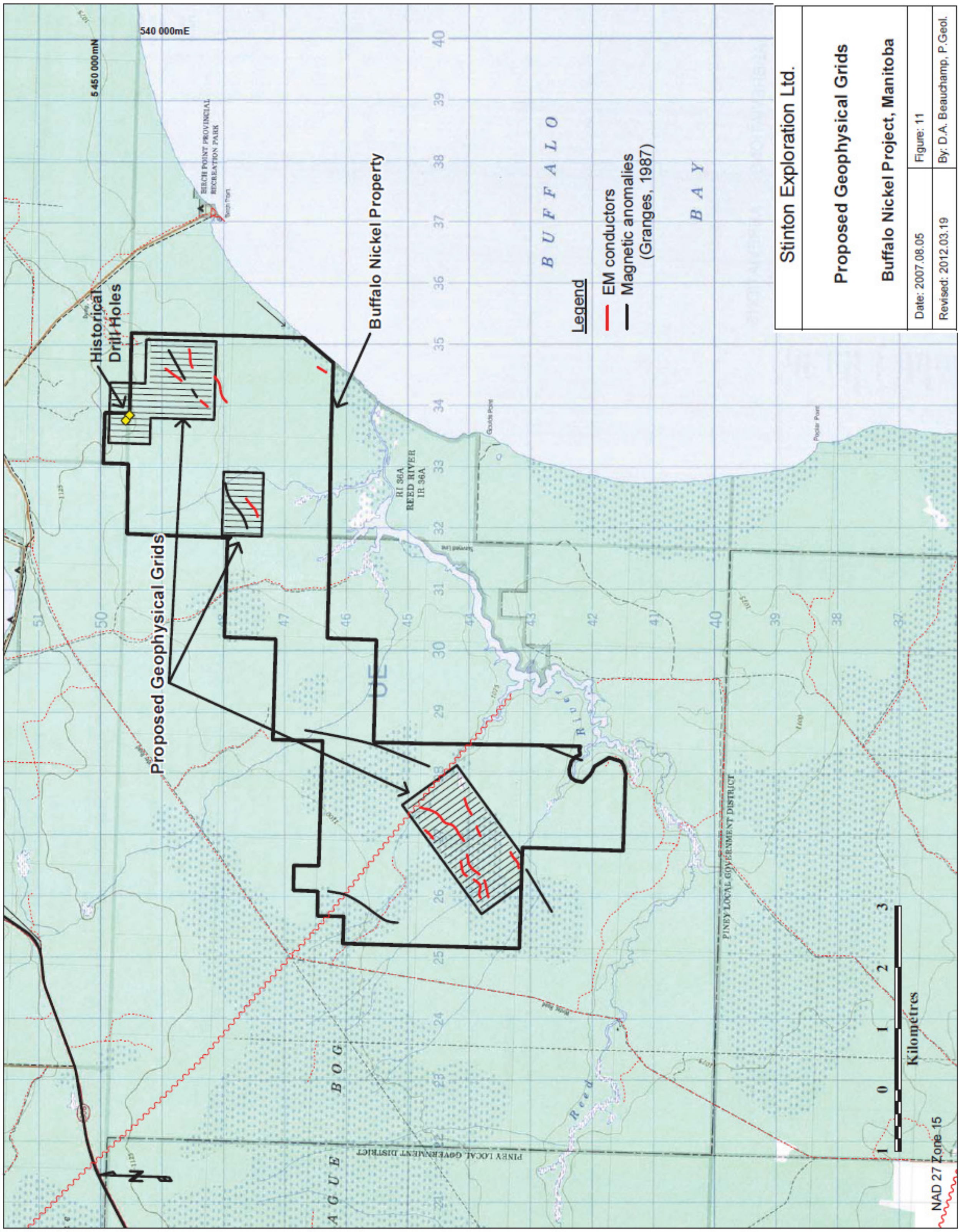
Upon the confirmation of the presence of valid geophysical conductors and anomalies, diamond drilling should be carried out on the targets identified. An initial program of six drill holes to a depth of about 125 m for a total of 750 m of drilling has been budgeted as Phase 2 of the program (see Table 3 below). If disseminated mineralization is intersected in the core, induced polarization surveys could be used to further define the target.

Staking of additional claims should also be considered, especially in the northeast part of the claim block, to protect the full extent of the known peridotite. If additional mafic or ultramafic intrusions are discovered, other targets in the region consisting of magnetic high with EM conductors should also be staked, particularly to the southwest of the current claims.

Table 3
Proposed Exploration Budget

Activity						**Total**
Phase 1						
Winter road and trails					$ 10,000	
Linecutting	45 km	@	$ 800	/km	$ 36,000	
Equipment and supplies					$ 15,000	
Geophysics: Magnetometer	45 km	@	$ 300	/km	$ 13,500	
Geophysics: HLEM	45 km	@	$ 800	/km	$ 36,000	
Geophysical consulting					$ 3,000	
Contingency			15%		$ 17,500	
Subtotal: Phase 1						$ 131,000
Phase 2						
Geological consulting					$ 15,000	
Core sampling	100 analyses	@	$ 40	/sample	$ 4,000	
Drilling	750 m	@	$ 240	/m	$ 180,000	
Mobilization					$ 10,000	
Equipment and supplies					$ 25,000	
Contingency			15%		$ 35,000	
Subtotal: Phase 2						$ 269,000
Grand Total						$ 400,000

Figure 11: Proposed Geophysical Grids



USE OF PROCEEDS

Funds Available

As at October 31, 2012, the Issuer had a working capital of $(3,270.00). The net proceeds to the Issuer from the sale of the Common Shares offered hereunder are estimated to be $175,000 under the Minimum Offering and $197,500 under the Maximum Offering, after deducting the Agent's Commission ($25,000 under the Minimum Offering and $27,500 under the Maximum Offering), and the estimated expenses of the Offering ($40,000). The net proceeds of the Offering will be expended to complete the Phase I exploration on the Property, and for general working capital purposes. The Issuer intends to use the funds as detailed in the following section:

	Minimum Offering	**Maximum Offering**
Gross Proceeds	$250,000	$275,000
Working capital as at October 31, 2012	$(3,270)	$(3,270)
Less: Agent's Commission	$25,000	$27,500
Less: Balance of Agent's legal fees and disbursements	$10,000	$10,000
Less: Estimated legal and accounting expenses and regulatory fees relating to the Offering	$40,000	$40,000
Net Proceeds	**$171,730**	**$194,230**

Principal Purposes

The Issuer intends to use the net proceeds available on completion of the Offering as follows:

	Minimum Offering	**Maximum Offering**
Conduct Phase I(1)	$97,668	$97,668
Estimated consulting fees and general and administrative expenses incurred in connection with the Offering	Nil	Nil
Estimated General and Administrative Expenses (12 months)	$74,062	$74,062
Unallocated Working capital	Nil	$22,500
Total	**$171,730**	**$194,230**

(1) The total recommended budget for the Phase I exploration program is $131,000. To date the Issuer has paid $33,332 in cash to the Government of Manitoba as assessment in lieu of exploration expenditures and will recover this amount on the completion of Phase I of the exploration program and the filing of the qualified expenditures on the Property.

Business Objectives

The proceeds of this Offering are intended to be used for the purposes set out above; however, the Issuer reserves the right to redirect any portion of the funds in such manner as it considers in the best interest of the shareholders.

The recommended work program outlined in the Technical Report calls for expenditures of $131,000 for Phase I exploration work on the Property. The Issuer has paid $33,332 in cash to the Government of Manitoba as assessment in lieu of exploration expenditures and will recover this amount on the completion of Phase I of the exploration program and the filing of the qualified expenditures on the Property. Management intends to proceed with Phase I of the recommended work program to assess the viability of the Property. The decision to proceed with Phase II will be dependent on a number of factors. It is possible that some portions of the net proceeds allocated for such work programs will be devoted to other acquisition, development or exploration opportunities identified by the Issuer from time to time. Should the Issuer decide not to proceed with Phase II of the recommended work program, the net proceeds will be used towards such other opportunities.

Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Issuer. Accordingly, the Issuer may abandon in whole or in part any of its property interests or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Issuer after the closing of the Offering, although the Issuer has no present plans in this respect. Subscribers pursuant to this Prospectus must rely on the experience, good faith and expertise of management of the Issuer with respect to future acquisitions and activities.

A summary of the estimated annual general and administrative costs is as follows:

Item	**Amount**
Professional fees (legal and accounting)	$15,000
Consulting fees (Management and Administration)	$20,000
Geologist	$10,979
Corporate and Shareholder Communications	$1,500
Transfer agent fees	$6,000
Office and Rent	$1,100
Item	**Amount**
Regulatory fees	$16,000
Travel	$1,000
SEDAR filing fees	$2,483
Estimated 12 month General and Administrative Expenses	**$74,062**

DIVIDEND POLICY

The Issuer has not paid out any dividends or distributions and does not have a policy regarding dividends or distributions.

STINTON EXPLORATION LTD.
SELECTED FINANCIAL INFORMATION
AND MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2012

Management's Discussion and Analysis

Introduction

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Stinton Exploration Ltd. (the "Issuer"), constitutes management's review of the factors that affected the Issuer's financial and operating performance during the three and six month periods ending June 30, 2012. This MD&A should be read in conjunction with the unaudited financial statements and related notes for the quarter ended June 30, 2012 and the Issuer's audited financial statements and related notes for the year ending December 31, 2011. Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars.

1.1 Date of MD&A

This MD&A was prepared as of October 17, 2012.

1.2 Overall Performance

As at October 17, 2012 the directors and officers of the Issuer were:

Wayne Stebbe	CEO and Director
David Gurvey	CFO and Director
Eric Hinton	Director
Mark Francis	Director
Keith Sinclair	Director and Corporate Secretary

The Issuer was founded in September, 2010 with the stated business intention of acquiring and developing mineral exploration properties. The Issuer commenced operations in December, 2010 with the acquisition of a 25% interest in the Buffalo Nickel Property (the "Property") pursuant to the Purchase Agreement dated as of December 13, 2010 between the Issuer and William C. Hood (the Vendor), by issuing 700,000 common shares of the Issuer to the Vendor, with an option to acquire the remaining 75% of the property by the issuance of an additional 1,300,000 common shares of the Issuer up to and including the second anniversary of the date of the Purchase Agreement, provided that the Issuer keeps the Property in good standing and conducts all operations and activities on the Property in accordance with applicable law.

The Property is subject to an underlying royalty in favour of William C. Hood based on a net smelter returns royalty equal to two percent (2%), which commences on the operation of the Property or any portion thereof as a producing mine and the production of mineral products there from. The Issuer may elect to purchase from the Vendor at any time one-half of the net smelter returns royalty, being one percent (1%), upon payment to the Vendor of one million dollars ($1,000,000).

In January 2011, the Issuer engaged Daniel Beauchamp, P.Geo., MBA and a "Qualified Person" within the meaning of National Instrument 43-101, to update the qualifying report on the Property, originally prepared by him on September 21, 2007. The report concluded that there was merit in exploring the

Property, and that the first phase of exploration would involve a comprehensive geophysics program to define previously indicated magnetic anomalies.

The Issuer has held preliminary discussions with professionals in the geophysics industry as to the most efficient method to conduct the geophysics program recommended in the report.

Upon receipt of the recommendation the Issuer initiated discussions with various members of the financial, legal and regulatory community regarding an approach to finance the project. Market conditions were monitored in order to ascertain the timing of the Issuer's entrance to the Canadian capital markets.

During the prior year, the Issuer issued 3,740,000 common shares for gross proceeds of $123,250. Included in this are 780,000 flow-through common shares, issued for gross proceeds of $78,000, to fund exploration activities. The Issuer must incur $78,000 of qualified resource expenditures by December 31, 2012.

A decision to enter the public capital markets was delayed until the first quarter of 2012 due to market volatility. The Issuer is currently in the "going public" process, with a targeted Fall 2012 listing on the Canadian National Stock Exchange (CNSX).

1.3 Selected Quarterly and Annual Information

The Issuer's Interim Financial Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Activities during the quarter consisted of administrative duties associated with the going public process initiated during the previous quarter.

During the quarter ended June 30, 2012, the Issuer reported $nil revenue and a net loss of $4,636 compared with $nil revenue a loss of $470 for the corresponding period the prior year.

During the 6 months ended June 30, 2012, the Issuer reported $nil revenue and a net loss of $44,279 compared with $nil revenue a loss of $18,446 for the corresponding period the prior year.

As of June 30, 2012, the Issuer had working capital of $40,051. This is not sufficient to meet the planned requirements of the Issuer and as the Issuer has no operating source of revenue, additional capital is required. The Issuer plans to issue further shares to continue to advance its business objectives.

	3 Months Ended June 30, 2012	**3 Months Ended June 30, 2011**
Total revenues	$nil	$nil
Mineral property expenditures	$900	$nil
General and administrative expenses	$3,736	$470
Basic and diluted loss per common share	0.01	0.01

	As at June 30, 2012	As at December 31, 2011
Total assets	$50,808	$110,497
Total liabilities	$10,757	$26,167
Cash dividends per share	$nil	$nil

	6 Months Ended June 30, 2012	6 Months Ended June 30, 2011
Total revenues	$nil	$nil
Mineral property expenditures	$9,087	$12,579
General and administrative expenses	$34,764	$5,867
Basic and diluted loss per common share	0.01	0.01

The Issuer expects to incur losses for at least the next 24 months and there can be no assurance that the Issuer will ever make a profit. To achieve profitability, the Issuer must advance its Property through further exploration in order to bring the Property to a stage where the Issuer can attract the participation of a senior resource corporation with the expertise and financial capability to place such Property into commercial production.

The Issuer's ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going concern basis, which implies that the Issuer will realize its assets and discharge its liabilities in the normal course of business. The Interim Financial Report does not reflect adjustments to the carrying value of assets and liabilities that would be necessary if the Issuer were unable to achieve and maintain profitable operations.

1.4 Off-Balance Sheet Arrangements

The Issuer has no off-balance sheet arrangements.

1.5 Transactions with Related Parties

Professional services provided by the CEO and CFO who are also directors of the Issuer were done without charge for the quarter. It is anticipated that there will be fees charged for services rendered in the future. There was $4,800 charged for the fiscal year ended December 31, 2011.

1.6 Critical Accounting Estimates

The preparation of the Interim Financial Report requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Interim Financial Report and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from these estimates.

1.7 Outstanding Share Data

At June 30, 2012 there were 3,740,000 common shares issued and outstanding as fully paid and non-assessable securities.

1.8 Proposed Transactions

As is typical of the minerals exploration and development industry, the Issuer continues to review property and competitor information in search of future opportunities in terms of new property acquisitions and business partnerships. Although no transactions are in progress currently, the Issuer endeavours to continue research into potential opportunities, and to keep business relationships open should opportunities arise.

1.9 IFRS

The Issuer has prepared its financial statements in accordance with IFRS standards as issued by the International Accounting Standards Board effective as at June 30, 2012.

1.10 Subsequent Events

In August 2012 the Issuer became a SEDAR filer and incurred expenses of $1813.75 and $939.75 for account set up and a one year term of unlimited filings.

1.11 Resource Properties

The Buffalo Nickel Property

On December 13, 2010 the Issuer commenced operations with the acquisition of a 25% interest in the Buffalo Nickel Property. The Property, situated geologically in the Wabigoon Subprovince, consists of 13 claims totaling 2995 hectares and is located in the southeastern part of the Province of Manitoba, approximately 150 km southeast of Winnipeg and 16 km north of the boundary with the state of Minnesota, USA. About 13 km east of the centre of the claims is the boundary with the Northwest Angle, a part of the United States that extends north of the 49th parallel.

At the time of the purchase the property was held 100% by William C. Hood of Beausejour, Manitoba. The Issuer has purchased a 25% interest in the Property in exchange for 700,000 common shares of the Issuer and a net smelter return of 2% for Mr. Hood. The Issuer has an option to purchase the remaining 75% of the Property, but only in its entirety, for an additional 1,300,000 common shares subject to the same 2% net smelter return. The option to acquire the remaining 75% interest in the property expires on December 13, 2012.

Current Exploration Plan

The Issuer intends to begin exploration of the Property by conducting a geophysical survey program, as recommended in the 'Technical Report and Proposed Exploration Program for the Buffalo Nickel Project, Manitoba', as prepared by Daniel A. Beauchamp. P.Geol., M.B.A, Consulting Geologist, prepared in accordance with National Instrument 43-101 (NI 43-101), and dated June 26, 2012. The program is intended to define the number and extent of geophysical anomalies on the Property. Based on the findings of the survey, a drill program will be conducted on the identified targets.

1.12 Other Corporate Matters

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Issuer manages its capital with the objectives of ensuring sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions, and to maximize shareholder return through enhancing the share value.

The Issuer monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Issuer may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the board of directors on an ongoing basis. The Issuer manages capital through its financial and operational forecasting processes. The Issuer reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the board of directors of the Issuer. The Issuer's capital management objectives, policies and processes have remained unchanged during the six months ended June 30, 2012.

The Issuer is not subject to any externally imposed capital requirements.

PROPERTY AND FINANCIAL RISK FACTORS

Financial Instruments and Other Instruments

The Issuer's financial instruments as at June 30, 2012 include cash and cash equivalents and accounts payable and accrued liabilities.

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

Credit Risk

Credit risk is the risk of financial loss to the Issuer if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Issuer's credit risk is primarily attributable to accounts receivable included in current assets. The Issuer has no material concentration of credit risk arising from operations. Cash and cash equivalents consist of cash which has been invested with a Canadian Credit Union, from which management believes the risk of loss is remote.

Interest Rate Risk

The Issuer has cash and no interest-bearing debt. The Issuer's current policy is to periodically invest excess cash, as appropriate, in investment-grade short term deposit certificates issued by financial institutions. The Issuer is satisfied with the credit ratings of its financial institution.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, a plus or minus 1% change in interest rates would not have a significant impact on the reported net loss for the period.

Liquidity Risk

The Issuer's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The ability of the Issuer to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing.

ADDITIONAL RISK FACTORS

The Issuer’s business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. In addition to considering the information disclosed in the financial statements and in the other publicly filed documentation regarding the Issuer available at www.sedar.com, the reader should carefully consider the following information. Any of these risk elements could have material adverse effects on the business of the Issuer. The Issuer attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Issuer will be profitable in the future, and its common shares should be considered speculative.

Environmental Liabilities

There are currently no known existing environmental liabilities to which the Property is subject. The surface waters of the claims drain east and southeast over lands owned by the Buffalo Point First Nation. The Property is otherwise free of liens or pending legal actions, back-in rights, payments or other encumbrances. There are no known land improvements, mineralized zones, mine workings or tailings ponds on the Property. The Property is at an early stage of exploration and permits are required from the Manitoba Innovation, Energy and Mines department before building trails and road access. These permits are available to the Issuer.

Ability to Fund / Potential Dilution

There can be no assurance that any funding required by the Issuer will become available to it, and if so, that it will be offered on reasonable terms, or that the Issuer will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Issuer will be able to secure new mineral properties or projects, or that they can be secured on competitive terms. The Issuer may also issue options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Issuer’s then current shareholders could also be diluted.

Mineral Resources

As of the date of this Management Discussion & Analysis, no mineral resources as defined by National Instrument 43-101 had been established at the Issuer’s project. There is no certainty that further exploration and development will result in the definition of mineral resources, or mineral reserves at the Issuer’s project.

Permitting Requirements

The Issuer and/or its partners are, from time to time, required to obtain certain permits, licenses or consents in order to operate its business. There is no guarantee as to whether or when such permits, licenses or consents will be granted or renewed as applicable.

Commodity Price Volatility

The prices of various resource commodities that the Issuer intends to explore, and subject to exploration success, exploit and subsequently market, can fluctuate, and are beyond the Issuer’s control. Adverse price fluctuations in these targeted commodities can materially impact investor confidence and undermine the ability of the Issuer to raise sufficient capital from the investment marketplace to continue ongoing exploration efforts in a timely manner.

Title to Mineral Properties

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 or impugned. Although the Issuer has investigated its title to the mineral properties for which it holds concessions or mineral leases or licenses, there can be no assurance that the Issuer has valid title to such mineral properties or that its title thereto will not be challenged or impugned. The Issuer does not carry title insurance with respect to its mineral properties. A successful claim that the Issuer does not have title to a mineral property could cause the Issuer to lose its rights to mine that property, perhaps without compensation for its prior expenditures relating to the property.

Mineral Exploration and Exploitation

Mineral exploration and exploitation involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Issuer has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of some properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining, or to upgrade existing infrastructure. There can be no assurance that the funds required to exploit any mineral reserves and resources that may be discovered by the Issuer will be obtained on a timely basis or at all. The economics of exploiting mineral reserves and resources discovered by the Issuer are affected by many factors, many outside the control of the Issuer, including the cost of operations, variations in the grade of ore mined and metals recovered, price fluctuations in the metal markets, costs of processing equipment, and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. There can be no assurance that the Issuer's mineral exploration and exploitation activities will be successful.

Uninsurable Risks

Mineral exploration and exploitation activities involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could negatively affect the Issuer's profitability and financial position and the value of the common shares of the Issuer. The Issuer does not maintain insurance against environmental risks.

Environmental Regulation and Liability

The Issuer's activities are subject to laws and regulations controlling not only mineral exploration and exploitation activities themselves but also the possible effects of such activities upon the environment. Environmental legislation may change and make the mining and processing of ore uneconomic or result in significant environmental or reclamation costs. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploitation activities, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of environmental legislation may result in the imposition of fines and penalties or the suspension or closure of operations. In addition, certain types of operations require the submission of environmental impact statements and approval thereof by government authorities.

Environmental legislation is evolving in a manner that may mean stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors, officers and employees. Permits from a variety of regulatory authorities are required for many aspects of mineral exploitation activities, including closure and reclamation. Future environmental legislation could cause additional expenses, capital expenditures, restrictions, liabilities and delays in the development of the Issuer's properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of closure and reclamation plans, the Issuer must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Issuer does not maintain environmental liability insurance.

Regulations, Permits and Access

The Issuer's activities are subject to a wide variety of laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, protection of historic and archaeological sites, mine development and protection of endangered and protected species and other matters. The Issuer is required to have a wide variety of permits from governmental and regulatory authorities to carry out its activities. These permits relate to virtually every aspect of the Issuer's exploration and exploitation activities. Changes in these laws and regulations or changes in their enforcement or interpretation could result in changes in legal requirements or in the terms of the Issuer's permits that could have a significant adverse impact on the Issuer's existing or future operations or projects. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Issuer will be able to obtain the necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Issuer from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, in certain instances the mineral rights and claims with respect to which the Issuer undertakes its exploration activities relate to properties over which another party owns the surface rights. In other instances, a party or a community may assert that it has the right to use or restrict the activities conducted upon that property. In those cases, in connection with its exploration activities the Issuer may be required to, or may determine that it is prudent to, obtain permission from surface rights owners, community representatives or other parties. To the extent that the Issuer is unable to obtain such permission, the Issuer may be unable to conduct its exploration activities, or it may incur additional costs or encounter delays with respect to those programs.

Dependence on Key Employees

The Issuer's business and operations are dependent on retaining the services of a small number of key employees. The success of the Issuer is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Issuer. The Issuer does not maintain insurance on any of its key employees.

OUTLOOK

The Issuer is well positioned for future exploration and development activities with its 2,995 hectare property package situated within 150 km. of Winnipeg, the capital city of Manitoba. The Province of Manitoba is regarded as a mining friendly jurisdiction, and the Issuer's Buffalo Nickel project is close to adjacent hydro power, heavy rail and paved roadways. Recent discoveries of nickel enriched mineral occurrences 100 km east, in the Province of Ontario, have brought new attention to this previously sparsely explored area of the Wabigoon Subprovince. The Issuer anticipates that the current planned exploration program on its Property (the most easterly portion of the Wabigoon Subprovince that occurs in Manitoba) will define the potential for an additional discovery of a nickel enriched mineral occurrence on the Manitoba side of the provincial boundary with Ontario.

The Issuer believes that the capital markets will provide sufficient financing to take its highly prospective exploration properties to the next stages of development.

The Issuer is committed to creating shareholder value by building a premier portfolio of exploration and development properties in Canada.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common shares

The authorized capital of the Issuer consists of an unlimited number of common shares without par value.

As of the date of this Prospectus, 3,740,000 common shares were issued and outstanding as fully paid and non-assessable. Holders of common shares are entitled to one vote per share upon all matters on which they have the right to vote. The common shares do not have pre-emptive rights and are not subject to redemption or retraction provisions. The Issuer may, if authorized by the directors, purchase or otherwise acquire any of its common shares at a price and upon the terms determined by the directors. Holders of the common shares are entitled to receive such dividends as may be declared by the board of directors (the "Board") out of funds legally available therefore. In the event of dissolution or winding up of the affairs of the Issuer, holders of the common shares are entitled to share rateably in all assets of the Issuer remaining after payment of all amounts due to creditors.

Subscriptions for the Common Shares will be payable in cash against delivery of the share certificates representing the Common Shares. Subscriptions for Common Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

Warrants

As of the date of this Prospectus, there are no share purchase warrants issued and outstanding.

Options

The Issuer does not currently have an incentive stock option plan and intends to present a stock option plan to the shareholders at its next annual general meeting for approval and adoption. See "Options to Purchase Securities".

CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Issuer as at the dates below. The table should be read in conjunction with and is qualified in its entirety by the Issuer's audited financial statements for the fiscal year ended December 31, 2011 and unaudited financial statements for the six months ended June 30, 2012.

	Authorized Capital	**Outstanding as of December 31, 2011**	**Outstanding as of the date of this Prospectus**	**Outstanding after giving effect to the Minimum Offering(1)(2)**	**Outstanding after giving effect to the Maximum Offering(1)(3)**
Common Shares	Unlimited	$123,250 (3,740,000 Common Shares)	$123,250 (3,740,000 Common Shares)	$373,250 (6,240,000 Common Shares)	$398,250 (6,490,000 Common Shares)
Long-term Debt	N/A	Nil	Nil	Nil	Nil

Notes:
(1) Excluding the Shares that may be issued upon exercise of the Agent's Option to be issued pursuant to the Offering.
(2) Before deducting the Agent's Commission ($25,000) and the expenses of the Offering (estimated to be $40,000).
(3) Before deducting the Agent's Commission ($27,500) and the expenses of the Offering (estimated to be $40,000).

The following table sets out the share capital of the Issuer on a fully diluted basis after giving effect to the Offering:

	Minimum Offering		**Maximum Offering**	
	Number of Shares	**Percentage of Shares (%)**	**Number of Shares**	**Percentage of Shares (%)**
Shares issued and outstanding prior to completion of the Offering(1)	3,740,000	48.01	3,740,000	46.37
Shares issued under the Offering	2,500,000	32.09	2,750,000	34.10
Shares reserved for issuance pursuant to the Agent's Option	250,000	3.21	275,000	3.41
Common Shares to be issued pursuant to the Purchase Agreement(1)	1,300,000	16.69	1,300,000	16.12
Total:	7,790,000	100%	8,065,000	100%

Note: (1) Pursuant to the terms of the Purchase Agreement, the Issuer has issued 700,000 Common Shares to acquire a 25% interest in the Property and has agreed to issue an additional 1,300,000 Common Shares upon the exercise of its option to acquire the remaining 75% in the Property. See "Narrative Description of the Business".

Assuming that the Minimum Offering is completed hereunder and 2,500,000 Common Shares are purchased pursuant to the Offering, then there will be 6,240,000 common shares issued and outstanding and the fully diluted number of common shares issued and outstanding will be 6,490,000, which accounts for the issuance of Common Shares upon the exercise of the Agent's Option (250,000), issuable pursuant to the Minimum Offering into 250,000 Common Shares. Assuming that the Maximum Offering is completed hereunder then there will be 6,490,000 Common Shares issued and outstanding, and the fully diluted number of common shares issued and outstanding will be 6,765,000, which accounts for the issuance of Common Shares upon the exercise of the Agent's Option (275,000), issuable pursuant to the Maximum Offering into 275,000 Common Shares.

OPTIONS TO PURCHASE SECURITIES

As of the date of this Prospectus, the Issuer has not adopted an incentive stock option plan and does not intend to grant stock options to its officers, directors, employees and consultants until the shareholders have approved and adopted an incentive stock option plan at the Issuer's next annual general meeting.

Prior Sales

The Issuer sold the following amount of Common Shares within 12 months of the date of this Prospectus.

1. On December 30, 2011, the Issuer issued 780,000 Common Shares to various subscribers at $0.10 per Common Share.

Escrowed Securities

In accordance with National Policy 46-201 *Escrow for Initial Public Offerings* ("NP 46-201"), all common shares of the Issuer held by a principal of the Issuer prior to the Offering are subject to escrow restrictions. A principal who holds securities carrying less than 1% of the voting rights attached to the Issuer's outstanding securities immediately after the Offering is not subject to the escrow requirements under NP 46-201. Under the NP 46-201, a "principal" is defined as:

(a) a person or company who acted as a promoter of the issuer within two years before the IPO prospectus;

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus;

(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO; or

(d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the issuer they hold will be subject to escrow requirements.

The following escrowed shares held by principals of the Issuer will be released pro rata to such shareholders as to 10% on the date of final Exchange notice and 15% every six months thereafter over a 36 month period. The escrowed shares are subject to the direction and determination of the Exchange. Specifically, escrowed shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the Exchange.

Pursuant to an agreement (the "Initial Escrow Agreement") dated November 8, 2012 among the Issuer, Alliance Trust Company (the "Escrow Agent") and the principals of the Issuer, the principals agreed to deposit in escrow their common shares with the Escrow Agent.

As of the date of this Prospectus, the following securities are subject to the Initial Escrow Agreement:

Designation of class	Number of securities held in escrow	Percentage of class after giving effect to the Minimum Offering	Percentage of class after giving effect to the Maximum Offering
Common shares	2,340,000	37.50%	36.05%

The following sets forth particulars of the escrowed shares that are subject to the Initial Escrow Agreement as of the date of this Prospectus.

Shareholder	Number of securities (1)	Percentage of class at the date of this Prospectus(2)	Percentage of class after giving effect to the Minimum Offering(3)	Percentage of class after giving effect to the Maximum Offering(3)
Wayne Stebbe	335,000	8.96%	5.37%	5.16%
Eric Hinton	510,000	13.64%	8.17%	7.86%
David Gurvey	285,000	7.62%	4.57%	4.39%
S. Mark Francis	385,000	10.29%	6.17%	5.93%
Keith Sinclair	125,000	3.34%	2.00%	1.93%
William C. Hood	700,000	18.72%	11.22%	10.78%
Total	2,340,000	62.57%	37.50%	36.05%

Notes:

(1) The common shares are held in escrow by the Escrow Agent and will be released in accordance with the following schedule:

On the date the issuer's securities are listed on a Canadian exchange (the listing date)	1/10 of the escrow securities
6 months after the listing date	1/6 of the remaining escrow securities
12 months after the listing date	1/5 of the remaining escrow securities
18 months after the listing date	1/4 of the remaining escrow securities
24 months after the listing date	1/3 of the remaining escrow securities
30 months after the listing date	1/2 of the remaining escrow securities
36 months after the listing date	The remaining escrow securities

(2) Based on 3,740,000 common shares issued and outstanding as at the date of this Prospectus.

(3) These figures assume that the Agent's Option has not been exercised and 1,300,000 common shares to be issued to the Vendor pursuant to the Purchase Agreement have not been issued.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Issuer's directors and senior officers, the following persons beneficially own, directly or indirectly, or exercise control or direction over, or upon completion of the Offering will own, common shares carrying more than 10% of all voting rights:

Name	Type of Ownership	Shares (and % of Outstanding Shares)(1) Owned, Controlled or Directed Prior to the Offering	Shares (and % of Outstanding Shares) (1) Owned, Controlled or Directed Following Completion of the Minimum Offering	Shares (and % of Outstanding Shares) (1) Owned, Controlled or Directed Following Completion of the Maximum Offering
Eric Hinton(2)	Registered/Beneficial	510,000 (13.64%)	510,000 (8.17%)	510,000 (7.86%)
S. Mark Francis(3)	Registered/Beneficial	385,000 (10.29%)	385,000 (6.17%)	385,000 (5.93%)
William C. Hood(4)	Registered/Beneficial	700,000 (18.72%)	700,000 (11.22%)	700,000 (10.78%)
Total:		**1,595,000 (42.65%)**	**1,595,000 (25.56%)**	**1,595,000 (24.57%)**

Note:

(1) On the basis of 3,740,000 issued and outstanding Common Shares as at the date hereof; 6,240,000 issued and outstanding Common Shares after giving effect to the Minimum Offering; and 6,490,000 issued and outstanding Common Shares after giving effect to the Maximum Offering.
(2) On a fully diluted basis, Eric Hinton will hold 510,000 Common Shares, representing 8.17% of 6,240,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Minimum Offering and 7.86% of 6,490,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Maximum Offering.
(3) On a fully diluted basis, S. Mark Francis will hold 385,000 Common Shares, representing 6.17% of 6,240,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Minimum Offering and 5.93% of 6,490,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Maximum Offering.
(4) On a fully diluted basis, William C. Hood will hold 700,000 Common Shares, representing 11.22% of 6,240,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Minimum Offering and 10.78% of 6,490,000 issued and outstanding Common Shares on a fully diluted basis after giving effect to the Maximum Offering.

Upon completion of the Minimum Offering, the directors, officers, insiders and promoters of the Issuer shall hold in aggregate 2,340,000 Common Shares representing 37.50% of the Common Shares which will then be issued and outstanding after the Offering. Upon completion of the Maximum Offering, the directors, officers, insiders and promoters of the Issuer shall hold in aggregate 2,340,000 Common Shares representing 36.05% of the Common Shares which will then be issued and outstanding after the Maximum Offering.

DIRECTORS AND OFFICERS

Name, Address, Occupation, and Security Holding

The following table sets forth particulars regarding the current Directors and Officers of the Issuer:

Name, Position with the Issuer and Province and Country of Residence	Principal Occupation For Past Five Years	Number of Securities Beneficially Owned or controlled directly or indirectly, as of the date of this Prospectus	Number of Securities and Percentage[3] Beneficially Owned or controlled directly or indirectly, on completion of the Minimum Offering	Number of Securities and Percentage[3] Beneficially Owned or controlled directly or indirectly, on completion of the Maximum Offering
Wayne Stebbe [(2)] *CEO and Director Manitoba, Canada*	Member of the Winnipeg Commodity Exchange from 1981 to 2007; Chief Executive Officer of the Issuer; Vice-President of Wildcat Exploration Ltd. from July 2006 to March 2011.	335,000 (8.96%)	335,000 (5.37%)	335,000 (5.16%)
Eric Hinton[(1)] [(2)] *Director Manitoba, Canada*	Mining engineer; senior mining consultant at a major Canadian engineering firm.	510,000 (13.64%)	510,000 (8.17%)	510,000 (7.86%)
David Gurvey [(2)] *CFO and Director Manitoba, Canada*	Chartered Management Accountant since 2002; Chief Financial Officer of one private resource-based issuer in the oil and gas sector; Chief Financial Officer of Exploratus Ltd., a reporting issuer in the mining sector; educational financial lecturer.	285,000 (7.62%)	285,000 (4.57%)	285,000 (4.39%)
S. Mark Francis[(1)(2)] *Director Alberta, Canada*	CNSX consultant; acting Chief Executive Officer of Exploratus Ltd., a reporting issuer with mineral exploration interests in Canada.	385,000 (10.29%)	385,000 (6.17%)	385,000 (5.93%)
Keith Sinclair[(1)(2)] *Director and Corporate Secretary, Manitoba, Canada*	President and Chief Executive Officer of Harris Consulting.	125,000 (3.34%)	125,000 (2.00%)	125,000 (1.93%)

Notes:

(1) Member of the Audit Committee. Mr. Sinclair is the Chair of the Audit Committee.

(2) All of these shares shall be subject to escrow (see "Escrowed Securities").

(3) Percentage is based on 3,740,000 common shares issued as of the date of this Prospectus and does not include Common Shares to be issued upon the exercise of stock options held on completion of the Minimum Offering/Maximum Offering.

The terms of the foregoing director and officer appointments shall expire at the next annual shareholders meeting.

The Issuer has one committee, the audit committee (the "Audit Committee") whose members are Keith Sinclair, Eric Hinton and Mark Francis. Mr. Sinclair is the Chair of the Audit Committee.

A description of the principal occupation for the past five years and summary of the experience of the directors and officers of the Issuer is as follows:

Wayne Stebbe, age 62, is the Chief Executive Officer and a Director of the Issuer. Mr. Stebbe has been actively engaged in the financial sector in Canada for over 30 years. Trained in New York in the late 1970s by a major international investment firm as a financial advisor in both the securities and commodities industry, his expertise was increasingly sought out by major Canadian and International financial institutions as they increased their focus on serving the commodities industry amidst rapidly expanding world trade. As a Member of the Winnipeg Commodity Exchange from 1981 until its sale to ICE (International Commodity Exchange) in 2007, he served on several committees, from risk management to new product design, as the exchange adapted to the evolving financial landscape. From July 2006 to March 2011, Mr. Stebbe served as Vice-President of Wildcat Exploration Ltd. (TSXV: WEL). With a view to shareholder return, he brings a wealth of domestic and international experience in financial markets, regulatory affairs, and market dynamics to assist the experienced technical team engaged by the Issuer.

Since 1996, Mr. Stebbe has served as the founder and President of Canshield Corp. ("Canshield"), which offers services to public and private resource exploration companies in finance, corporate communications, investor relations, project acquisition and logistics. From March 2011 to the present, Canshield has provided its services to the Issuer, and to a private oil and gas exploration company. From 2006 to 2011, Canshield focused on delivering its services to Wildcat Exploration Ltd. (TSXV-WEL).

Mr. Stebbe will be working full-time for the Issuer and anticipates devoting approximately 100% of his working time to the Issuer. Mr. Stebbe is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer.

Eric Hinton, age 53, is a Director of the Issuer. Based in Southern Manitoba, Mr. Hinton is a mining engineer at Boge & Boge Consulting Engineers with over 20 years of underground and open pit mining experience. He worked in engineering and operations with increasing responsibility including pit technical services in Western Newfoundland and Labrador, technical services and operations with a major nickel producer in Ontario, technical services and operations with North- western Ontario gold producers. Mr. Hinton has diplomas from the Haileybury School of Mines, Queen's University (B.Sc.) and Laurentian University (M.A.Sc.).

From 2010 to August 2012, Mr. Hinton, a mining engineer, has been the Project Manager of the Phoenix Gold Project, in Red Lake, Ontario, for Rubicon Minerals Corp. (TSE-RMX). From 2006 to 2010 he was an Associate, Senior Mining Consultant, with Golder Associates Ltd., after having served the prior three years with Goldcorp Inc. (TSE-G) as a Manager Automation and Manager Mining Systems. Mr. Hinton began his career with Inco in 1988 in Sudbury, Ontario, as a Mine Design Planner and served in various positions as Supervisor Mining Automation Program, Technology Prospector, Long Range Planner, and Front Line Supervisor at Inco's Copper Cliff South mine operations.

Mr. Hinton is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer. Mr. Hinton intends to devote approximately 10% of his working time to the affairs of the Issuer.

David Gurvey, age 46, is the Chief Financial Officer and a Director of the Issuer. Mr. Gurvey is a Chartered Management Accountant engaged in private practice since 2002. Mr. Gurvey has a B. Sc. in biochemistry, and received his CMA designation in 2002. With seventeen years' experience in business management, marketing, financial planning, and financial systems implementation, Mr. Gurvey is currently the Chief Financial Officer of one Canadian private resource based issuer in the oil and gas sector, and the Chief Financial Officer of Exploratus Ltd., a reporting issuer in the mining sector. Mr. Gurvey has been Chief Financial Officer of Exploratus Ltd. since January 2007. He has been at professional practice providing consulting services primarily to companies since 2000. His clients have included a number of real estate companies, as well as retail and other operations. Mr. Gurvey also served on the board of directors of Landmark Oil and Gas Corp. (TSXV: LMK) from August 2007 to May 2009. Mr. Gurvey has also been employed as a Sessional Lecturer at the University of Manitoba, Department of Accounting and Finance.

Mr. Gurvey anticipates devoting approximately 20-25% of his time to the Issuer. Mr. Gurvey is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer.

S. Mark Francis, age 52, is a Director of the Issuer. S. Mark Francis is a consultant with a focus on the junior capital markets. His current and primary engagement is with CNSX, Canada's innovative stock exchange for small-cap issuers, as an advisor in Western Canada. His previous engagements have included business and feasibility studies for both new and existing companies and projects, market studies for a multinational, multimodal transportation company, advisory role to the Winnipeg Stock Exchange, and other consulting and advisory roles in a range of industries. Mark has prior experience both in the investment industry including several years as an Investment Advisor, and also in Government as a program review and business analyst with the Province of Manitoba, and has earned the Canadian Investment Manager designation. Mr. Francis also has private interests in other entrepreneurial projects, and has been acting CEO of Exploratus Ltd., a reporting issuer with mineral exploration interests in Canada, since September 1993.

Since 2003, Mr. Francis has been engaged as an independent consultant to the Canadian National Stock Exchange (CNSX).

Mr. Francis is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer. Mr. Francis intends to devote that percentage of his working time to the affairs of the Issuer as is required to fulfill his responsibilities as a director.

Keith Sinclair, age 61, is a Director and Corporate Secretary of the Issuer. Mr. Sinclair, President and CEO of Harris Consulting, brings to the Board considerable operational experience in both the public and private sectors. His career as a Human Resources Executive has included Vice President for several Canadian-based and international high tech corporations, including senior HR roles with the Federal Government, Northern Telecom, Federal Industries, ENSIS, Milltronics, JetForm and Hummingbird. Mr. Sinclair initially entered management consulting in 2002 as a Principal of The Osborne Group before becoming a Partner at Harris. Mr. Sinclair has a Certified HR Professional designation and a Certified Management Consultant designation.

For the past five years, Mr. Sinclair has served as the President and Chief Executive Officer of The Harris Consulting Corporation. The company has been serving Canadian organizations for over 25 years, specializing in Human Resource and Management Consulting. Harris Consulting provides services in the areas of Executive Search, Career Management and Transition, Organizational Development & Design, Succession Management, Organizational & Employee Surveys, Leadership Development and Coaching, Psychometric Assessments, Compensation Analysis, Board Governance, Interim Executive Contracting, HR Advisory Services, Business Strategies, Balanced Scorecard, as well as Training Programs and Workshops.

Mr. Sinclair is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Issuer. Mr. Sinclair intends to devote approximately 15% of his working time to the affairs of the Issuer or as required to fulfill his responsibilities as a director and Corporate Secretary.

Aggregate Ownership of Securities

On completion of the Offering, all directors, officers, and promoters of the Issuer, as a group, will directly or indirectly beneficially own 2,340,000 common shares, representing approximately 37.50% of the issued and outstanding common shares assuming completion of the Minimum Offering on an undiluted basis and 36.05% of the issued and outstanding common shares assuming completion of the Maximum Offering on an undiluted basis.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, no director, officer, promoter or other member of management of the Issuer has, within the past ten years, been a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

David Gurvey became a director of Landmark Oil and Gas Corp. ("Landmark") on August 7, 2007, after the Alberta Securities Commission issued a cease trade order against Landmark on May 7, 2007 for failure to file audited annual financial statements for the year ended December 31, 2006, and the shares of Landmark were suspended from trading on the TSX Venture Exchange. On May 26, 2008, the British Columbia Securities Commission issued a cease trade order against Landmark for failure to file financial statements for the year ended December 31, 2007. Landmark subsequently filed a proposal on March 19, 2008 under the *Bankruptcy and Insolvency Act*, providing for the sale of its assets to Deep Creek Oil & Gas Inc. and the settlement of unsecured debt, which proposal was approved by the Court on June 3, 2008.

Penalties or Sanctions

No director or executive officer of the Issuer has, within the past ten years, been subject to any penalties or sanctions imposed by a court or by a securities regulatory authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No current or proposed director, officer, or promoter of the Issuer has, within the past ten years, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Issuer holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies under the *Canada Corporations Act*.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Issuer does not have a compensation program other than paying consulting fees and incentive bonuses. The compensation of the executive officers is determined by the Board, based in part on recommendations from the Chief Executive Officer. The Board recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. The objectives of the Issuer's compensation policies and practices are:

- to reward individual contributions in light of the Issuer's performance;
- to be competitive with the companies with whom the Issuer competes for talent;
- to align the interests of the executives with the interests of the shareholders; and
- to attract and retain executives who could help the Issuer achieve its objectives.

During the most recent financial year ended December 31, 2011, neither the Chief Executive Officer nor the Chief Financial Officer was paid a salary. The Issuer currently anticipates that following the Offering, the Chief Executive Officer and the Chief Financial Officer will not receive salaries, but will instead be invoicing the Issuer for time spent on the business of the Issuer at a market rate to be established between the Issuer and the individuals. Currently the Board believes that the Issuer is not competitive with the companies whom the Issuer competes for talent.

The basic component of executive compensation has consisted only of a consulting fee component and going forward, the Issuer may include performance-based variable incentive compensation, which may be comprised of cash bonuses or stock option grants. The allocation of value to these different compensation elements will not be based on a formula, but rather will be intended to reflect market practices as well as the Board's discretionary assessment of an executive officer's past contribution and the ability to contribute to future short and long-term business results.

Specifically, the objectives of consulting fees are to recognize market pay, and acknowledge the competencies and skills of individuals. The rate established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by any compensation committee that may be formed in future. In deciding on the consulting fee portion of the compensation of the executive officers, major consideration is given to the fact that the Issuer is an early stage exploration company and does not generate any material revenue and must rely exclusively on funds raised from equity financings. In the future, the objectives of incentive bonuses in the form of cash payments will be designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. The objectives of the stock option will be to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Issuer. At this stage in the Issuer's development, greater emphasis may be put on incentive stock option compensation once the Board implements an incentive stock option plan for the Issuer. The Issuer has no other forms of compensation, other than payments made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Issuer, to the best of its ability, at competitive industry rates for work of a similar nature by reputable arm's length service providers. Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Issuer's securities, as well as the financial condition of the Issuer.

The Board evaluates individual executive performance with the goal of setting compensation at levels that it believes is comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, members of the Board base their decisions on their general business and industry knowledge and experience and publicly available information of comparable companies while also taking into account the Issuer's relative performance and strategic goals. In determining the level of compensation payable to the Issuer's Chief Executive Officer, the Board will consider the following benchmark companies: Mainstream Minerals Ltd. (TSXV: MJO); Gossan Resources Limited (TSXV: GSS); Wildcat Exploration Ltd. (TSXV: WEL); and Bison Gold Exploration Inc. (TSXV: BGE).

In the course of its deliberations, the Board considered the implications of the risks associated with adopting the compensation practices currently in place. The Board does not believe that its current compensation practices create a material risk that the NEOs or any employee would be encouraged to take inappropriate or excessive risks, particularly since the Issuer currently does not have a stock option plan in place, and no such risks have been detected to date. The Board will continue to include this consideration in its deliberations, and believes that it would detect actions of management and employees of the Issuer that constitute or would lead to inappropriate or excessive risks.

The Issuer does not have a policy that would prohibit the NEOs or directors from purchasing financial instruments that are designed or would have the effect of hedging the value of equity securities granted to, or held by, these individuals.

Option-Based Awards

Once implemented, the incentive stock option portion of the compensation will be intended to provide the executive officers of the Issuer with a long term incentive in developing the Issuer's business. Options to be granted under the stock option plan will be approved by the Board, and if applicable, its subcommittees, after consideration of the Issuer's overall performance and whether the Issuer has met targets set out by the executive officers in their strategic plan. All previous grants of option-based awards will be taken into account when considering new grants.

Compensation Governance

For the 2011 fiscal year, management had direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Issuer. As a result, management played an important role in the compensation decision-making process. The CEO may also provide a self-assessment of his own individual performance objectives and/or results achieved, if requested by the Board. No such requests were made by the Board during 2011.

Performance Assessment

Rather than strictly applying formulas and weightings to forward-looking performance objectives, which may lead to unintended consequences for compensation purposes, the Board exercises its discretion and uses sound judgment in making compensation determinations. For this reason, the Board does not measure performance using any pre-set formulas in determining compensation awards for NEOs. The Board's assessment of the overall business performance of the Issuer, including corporate performance against both quantitative and qualitative objectives and, where appropriate, relative performance against peers, provides the context for individual executive officer evaluations for all direct compensation awards.

Corporate Performance

In the future, it is the intention that the Board will approve annual corporate objectives in line with the Issuer's key longer-term strategies for growth and value creation. These quantitative and qualitative objectives will then be used by the Board as a reference when making compensation decisions. It is the intention of the Board to review the results achieved by the Issuer and discuss them with management on an annual basis. For the purposes of determining total compensation, the Board will then determine an overall rating for actual corporate performance relative to an expected level of performance.

This overall corporate performance rating will provide general context for the Board's review of individual performance by the NEOs.

Individual Performance

As with the corporate objectives, individual executive officer's performance objectives may include a combination of quantitative and qualitative measures with no pre-determined weightings. During 2011, the Board determined that no compensation should be paid to the NEOs as the financial condition and size of the Issuer did not warrant the payment of cash or share compensation.

Compensation Committee

The Issuer currently does not have a compensation committee in place and the Board intends to approve all compensation decisions in the near future, provided that directors who are also officers are exempt from participating in such compensation discussions. The Issuer may establish a compensation committee in the future to assist the Board in fulfilling its responsibility to shareholders, potential shareholders and the investment community by reviewing and providing recommendations to the Board regarding executive compensation, succession plans for executive officers, and the Issuer's overall compensation and benefits policies, plans and programs.

Compensation Consultant

At no time since the Issuer's most recently completed financial year has the Issuer retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Issuer's directors or executive officers.

Compensation of Named Executive Officers of the Issuer

Summary Compensation Table

During the financial year ended December 31, 2011, the Issuer had two Named Executive Officers (as described in National Instrument 51-102, *Continuous Disclosure Obligations*), namely Wayne Stebbe and David Gurvey, the Chief Executive Officer and Chief Financial Officer of the Issuer, respectively.

The following table sets forth the compensation of the Named Executive Officers for the period indicated:

Name and Principal position	**Year**	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Non-equity Incentive plan compensation ($)**		**Pension value ($)**	**All other compensation ($)**	**Total compensation ($)**
					Annual incentive plans	**Long-term incentive plans**			
Wayne Stebbe, Chief Executive Officer(1)	December 31, 2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Gurvey, Chief Financial Officer(2)	December 31, 2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Mr. Stebbe has agreed to provide his services to the Issuer at a fair market rate and will invoice the Issuer for work performed on a periodic basis. Subsequent to the 2011 fiscal year end, Mr. Stebbe received a cash payment of $2,300.00 plus applicable G.S.T. on February 1, 2012.

(2) Mr. Gurvey has agreed to provide his services to the Issuer at a fair market rate and will invoice the Issuer for work performed on a periodic basis. Subsequent to the 2011 fiscal year end, Mr. Gurvey received a cash payment of $2,500.00 plus applicable G.S.T. on February 1, 2012.

Incentive Plan Awards

The Issuer currently does not have any incentive plans in place, including a stock option plan, but intends to adopt a stock option plan at a later date. The Issuer does not currently grant share-based awards.

The following table sets forth information concerning all awards outstanding under incentive plans of the Issuer at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers:

Outstanding Share-Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**	**Number of shares or Common Shares of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Wayne Stebbe CEO	Nil	Nil	Nil	Nil	Nil	Nil
David Gurvey CFO	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets forth details of the value vested during the financial year ended December 31, 2011 for each of the Named Executive Officers for option-based awards, share based awards and non equity incentive plan compensation:

Incentive Plan Awards – Value Vested or Earned

Name	Option-based awards - Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Wayne Stebbe CEO	Nil	Nil	Nil
David Gurvey CFO	Nil	Nil	Nil

Pension Plans Benefits

The Issuer does not have a pension plan or provide any benefits following or in connection with retirement.

Termination and Change of Control Benefits

The Issuer does not have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Issuer or from a change of control of the Issuer or a change in the executive officers' responsibilities following a change in control.

Compensation of Directors

The Issuer has no standard arrangement pursuant to which directors are compensated by the Issuer, for their services in their capacity as directors other than the unissued treasury shares that may be issued upon the exercise of the directors' incentive stock options. There has been no other arrangement pursuant to which directors are compensated by the Issuer in their capacity as directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no director, executive officer or employee of the Issuer or their respective associates or affiliates is or has been indebted to the Issuer at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Issuer. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Issuer has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Issuer's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Issuer at its current stage of development and therefore these guidelines have not been adopted. The Issuer will continue to review and implement corporate governance guidelines as the business of the Issuer progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

1. Board of Directors

The mandate of the Board is to supervise the management of the Issuer and to act in the best interests of the Issuer. The Board acts in accordance with:

(a) the *Canada Business Corporations Act* and by-laws;

(b) the Issuer's articles of incorporation;

(c) the Board of Directors Charter and the Audit Committee Charter; and

(d) other applicable laws and company policies.

The Board approves all significant decisions that affect the Issuer before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Issuer's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Issuer's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems. The Board also monitors the Issuer's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Issuer's external auditor.

The Board is responsible for choosing the President and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Issuer's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Issuer's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Issuer's internal control processes and management information systems. The Board consults with the internal auditor and management of the Issuer to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Issuer's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Issuer are not considered independent. Directors who do not also act as officers of the Issuer, do not work in the day-to-day operations of the Issuer, are not party to any material contracts with the Issuer, or receive any fees from the Issuer except as disclosed in this Prospectus, are considered independent. Wayne Stebbe and David Gurvey are not independent directors by virtue of their positions as CEO and CFO of the Issuer, respectively. Keith Sinclair, S. Mark Francis and Eric Hinton are considered independent directors of the Issuer.

2. Directorships

The directors of the Issuer currently hold directorships in other reporting issuers. The following table sets forth information for each director of the Issuer who is, or within the five years prior to the date of this Prospectus, has been a director or officer of any other reporting issuer:

Name of Director	**Name and Jurisdiction of Reporting Issuer**	**Name of Trading Market**	**Position From and To**
Wayne Stebbe	Wildcat Exploration Ltd., Manitoba	TSX Venture Exchange	Vice-President July 2006 to March 2011
David Gurvey	Landmark Oil and Gas Corp., Alberta	TSX Venture Exchange	Director August 2007 to May 2009
	Exploratus Ltd., Manitoba	Not applicable	Chief Financial Officer January 2007 to Present
Mark Francis	Exploratus Ltd., Manitoba	Not applicable	Chief Executive Officer and Director October 1, 1993 to Present

3. Orientation and Continuing Education

The Board of Directors of the Issuer briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information.

4. Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Issuer and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Issuer or an affiliate of the Issuer, (ii) is for indemnity or insurance for the benefit of the director in connection with the Issuer, or (iii) is with an affiliate of the Issuer. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Issuer at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Issuer for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Issuer and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

5. Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Issuer, the ability to devote the time required, shown support for the Issuer's mission and strategic objectives, and a willingness to serve.

6. Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board decides the compensation of the Issuer's officers, based on industry standards and the Issuer's financial situation.

7. Other Board Committees

The Board has no committees other than the Audit Committee.

8. Assessments

The Board monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

Audit Committee

The charter of the Audit Committee is set out below:

AUDIT COMMITTEE CHARTER

STINTON EXPLORATION LTD.

1. OVERALL PURPOSE AND OBJECTIVES

The Audit Committee will assist the directors (the "Directors") of the Issuer in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Audit Committee or as required by applicable legal or regulatory requirements, the Audit Committee will review the financial reporting process of the Issuer, the system of internal controls and management of the financial risks of the Issuer and the audit process of the financial information of the Issuer. In fulfilling its responsibilities, the Audit Committee should maintain an effective working relationship with the Directors, management of the Issuer and the external auditor of the Issuer as well as monitor the independence of the external auditor.

2. AUTHORITY

(a) The Audit Committee shall have the authority to:

(i) engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;

(ii) set and pay the compensation for any advisors employed by the Audit Committee;

(iii) communicate directly with the internal and external auditor of the Audit Corporation and require that the external auditor of the Issuer report directly to the Audit Committee; and

(iv) seek any information considered appropriate by the Audit Committee from any employee of the Issuer.

(b) The Audit Committee shall have unrestricted and unfettered access to all personnel and documents of the Issuer and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. MEMBERSHIP AND ORGANIZATION

(a) The Audit Committee will be composed of at least three members. The members of the Audit Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The majority of the members of the Audit Committee must be Directors who are independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements ("Applicable Laws"). In this Charter, the terms "independent" and "financially literate" have the meaning ascribed to such terms by Applicable

Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term "independent" the terms "outside" and "unrelated" to the extent such latter terms are applicable under Applicable Laws.

(b) The chairman of the Audit Committee will be an independent Director and will be appointed by the Audit Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.

(c) The secretary of the Audit Committee will be the chosen by the Audit Committee.

(d) The Audit Committee may invite such persons to meetings of the Audit Committee as the Audit Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.

(e) The Audit Committee may invite the external auditor of the Issuer to be present at any meeting of the Audit Committee and to comment on any financial statements, or on any of the financial aspects, of the Issuer.

(f) The Audit Committee will meet as considered appropriate or desirable by the Audit Committee. Any member of the Audit Committee or the external auditor of the Issuer may call a meeting of the Audit Committee at any time upon 48 hours prior written notice.

(g) All decisions of the Audit Committee shall be by simple majority and the chairman of the Audit Committee shall not have a deciding or casting vote.

(h) Minutes shall be kept in respect of the proceedings of all meetings of the Audit Committee.

(i) No business shall be transacted by the Audit Committee except at a meeting of the members thereof at which a majority of the members thereof is present.

(j) The Audit Committee may transact its business by a resolution in writing signed by all the members of the Audit Committee in lieu of a meeting of the Audit Committee.

4. ROLE AND RESPONSIBILITIES

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Audit Committee shall:

(a) recommend to the Directors

(i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Issuer or performing other audit, review or attest services for the Issuer, and

(ii) the compensation to be paid to the external auditor of the Issuer;

(b) review the proposed audit scope and approach of the external auditor of the Issuer and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;

(c) meet separately and periodically with the management of the Issuer, the external auditor of the Issuer and the internal auditor (or other personnel responsible for the internal audit function of the Issuer) of the Issuer to discuss any matters that the Audit Committee, the external auditor of the Issuer or the internal auditor of the Issuer, respectively, believes should be discussed privately;

(d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Issuer or performing other audit, review or attest services for the Issuer, including the resolution of disagreements between management of the Issuer and the external auditor of the Issuer regarding any financial reporting matter and review the performance of the external auditor of the Issuer;

(e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Issuer;

(f) review audit issues related to the material associated and affiliated entities of the Issuer that may have a significant impact on the equity investment therein of the Issuer;

(g) meet with management and the external auditor of the Issuer to review the annual financial statements of the Issuer and the results of the audit thereof;

(h) review and determine if internal control recommendations made by the external auditor of the Issuer have been implemented by management of the Issuer;

(i) pre-approve all non-audit services to be provided to the Issuer or any subsidiary entities thereof by the external auditor of the Issuer and, to the extent considered appropriate:

    (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or

    (ii) delegate to one or more independent members of the Audit Committee the authority to pre-approve all non-audit services to be provided to the Issuer or any subsidiary entities thereof by the external auditor of the Issuer provided that the other members of the Audit Committee are informed of each such non-audit service;

(j) consider the qualification and independence of the external auditor of the Issuer, including reviewing the range of services provided by the external auditor of the Issuer in the context of all consulting services obtained by the Issuer;

(k) consider the fairness of the Interim Financial Report and financial disclosure of the Issuer and review with management of the Issuer whether,

    (i) actual financial results for the interim period varied significantly from budgeted or projected results,

    (ii) generally accepted accounting principles have been consistently applied,

    (iii) there are any actual or proposed changes in accounting or financial reporting practices of the Issuer, and

(iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;

(l) review the financial statements of the Issuer, management's discussion and analysis and any annual and interim earnings press releases of the Issuer before the Issuer publicly discloses such information and discuss these documents with the external auditor and with management of the Issuer, as appropriate;

(m) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Issuer of financial information extracted or derived from the financial statements of the Issuer, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;

(n) establish procedures for,

(i) the receipt, retention and treatment of complaints received by the Issuer regarding accounting, internal accounting controls or auditing matters, and

(ii) the confidential, anonymous submission by employees of the Issuer of concerns regarding questionable accounting or auditing matters relating to the Issuer;

(o) review and approve the hiring policies of the Issuer regarding partners, employees and former partners and employees of the present and any former external auditor of the Issuer;

(p) review the areas of greatest financial risk to the Issuer and whether management of the Issuer is managing these risks effectively;

(q) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Issuer;

(r) review any legal matters which could significantly impact the financial statements of the Issuer as reported on by counsel and meet with counsel to the Issuer whenever deemed appropriate;

(s) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;

(t) at least annually, obtain and review a report prepared by the external auditor of the Issuer describing:

the firm's quality-control procedures;

any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;

and (to assess the auditor's independence) all relationships between the independent auditor and the Issuer;

(u) review with the external auditor of the Issuer any audit problems or difficulties and management's response to such problems or difficulties;

(v) discuss the Issuer's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and

(w) review this charter and recommend changes to this charter to the Directors from time to time.

5. COMMUNICATION WITH THE DIRECTORS

(a) The Audit Committee shall produce and provide the Directors with a written summary of all actions taken at each Audit Committee meeting or by written resolution.

(b) The Audit Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.

Composition of the Audit Committee

The members of the Audit Committee are Keith Sinclair, Eric Hinton, and Mark Francis. All members of the Audit Committee are independent as that term is defined in National Instrument 52-110 Audit Committees ("NI 52-110"). All members of the Audit Committee are "financially literate" as that term is defined in NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Issuer. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

Relevant Education and Experience

All of the members of the Audit Committee have gained their education and experience by participating in the management of private and publicly traded companies and all members are "financially literate" as defined in NI 52-110, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.

Audit Committee Oversight

At no time since inception was a recommendation of the Audit Committee made to nominate or compensate an external auditor not adopted by the board of directors.

Reliance on Certain Exemptions

At no time since inception has the Issuer relied on the exemption in Section 2.4 of NI 52-110 (de minimis non-audit services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval of Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by MNP LLP, Chartered Accountants, of Winnipeg, Manitoba, to the Issuer to ensure auditor independence. Fees billed by MNP LLP for audit and non-audit services in the last fiscal year as well as for the fiscal year ended December 31, 2011 are outlined in the following table.

Nature of Services	**Fees Billed By Auditor in Fiscal Year Ended December 31, 2011**	**Fees Billed By Auditor in the Year Ended December 31, 2010**
Audit Fees(1)	$12,500	-
Audit-Related Fees(2)	-	-
Tax Fees(3)	-	-
All Other Fees(4)	-	-
Total	$12,500	-

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Issuer's consolidated financial statements. Audit Fees include aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include aggregate fees for employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes aggregate fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services, in the aggregate.

Exemption

The Issuer is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

PLAN OF DISTRIBUTION

The Offering

The Offering consists of a minimum of 2,500,000 Common Shares for gross proceeds of $250,000 and a maximum of 2,750,000 Common Shares for gross proceeds of $275,000, at a price of $0.10 per Common Share. The price to the public was determined by arm's length negotiation between the Issuer and the Agent. The distribution of the Shares is qualified by this Prospectus and any common shares issued pursuant to the Offering shall be free of resale restrictions apart from any imposed by the Exchange.

Appointment of Agent

The Issuer, pursuant to the terms of the Agency Agreement, has appointed PI Financial Corp. as its exclusive Agent to offer the Common Shares under the Offering on a commercially reasonable efforts basis. The Agent is not a related or connected party to the Issuer as defined in the *Securities Act* (Manitoba) and the Rules made thereunder. The Agent is not obligated to purchase Common Shares in connection with this Offering.

All funds received will be held by the Agent in trust pursuant to the Agency Agreement. If the Offering is not raised within 90 days of the date of issue of the receipt for the final Prospectus, or within 90 days of the date of issue of receipt for an amendment to the final Prospectus and in any event not later than 180 days from the date of the receipt for the final Prospectus, all subscription monies will be retained by the Agent and returned to the purchasers, or any party designated by such purchasers, without interest or deduction.

Agent's Compensation

For acting as agent on the Offering, the Agent will receive a cash commission of 10% of the gross proceeds received from the Common Shares sold. In consideration for the services rendered by the Agent, the Issuer will pay the Agent a corporate finance fee of $25,000, plus HST, half of which ($12,500 plus HST) has been paid and is non-refundable. The balance shall be payable to the Agent upon Closing of the Offering.

The obligations of the Agent under the Agency Agreement may be terminated prior to the completion of the Offering at the Agent's discretion on the basis of its assessment of the state of the financial markets and at any time upon the occurrence of certain stated events and upon other conditions set out in the Agency Agreement.

The Issuer will notify the Agent of the terms of any further brokered equity financing that it requires or proposes to obtain during the 12 months following the closing of the Offering and the Agent will have the right of first refusal to provide such financing.

The Issuer has agreed to pay all expenses, fees and disbursements of the Agent, including the Agent's legal counsel fees and other agents' fees and expenses pursuant to the Offering, of which $15,000 has been paid to date. There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or other person or company in connection with the Offering other than as disclosed herein.

The Issuer anticipates completing the Offering within 90 days after the issuance of the receipt for the final Prospectus or the date of issue of receipt of an amendment to the final Prospectus, if consent is obtained from the subscribers and an amendment to the final Prospectus is filed. Until such time as the Offering has closed, all subscription funds received by the Agent will be held by the Agent in trust for the subscribers.

Agent's Option

In consideration of the services rendered by the Agent in connection with the qualification, distribution and sale of the Common Shares, the Issuer will grant to the Agent the Agent's Option to acquire a number of Agent's Shares equal to 10% of the Common Shares sold under the Offering. The Agent's Option is exercisable into one Agent's Option Share at an exercise price of $0.10 per Agent's Option Share for 48 months from the listing of the common shares on the Exchange.

The Agent's Option will contain, among other things, provisions for appropriate adjustment of the class, number and price of Agent's Option Shares issuable pursuant to any exercise thereof upon the occurrence of certain events including any subdivision, consolidation or reclassification of the Issuer's common shares, the payment of stock dividends or the amalgamation of the Issuer.

Listing

The Issuer has applied to list its common shares distributed under this Prospectus on the Exchange. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange.

As of the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS Markets operated by PLUS Markets group plc.

RISK FACTORS

The Common Shares should be considered highly speculative due to the nature of the Issuer's business and the present stage of its development. In evaluating the Issuer and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Issuer or in connection with the Issuer's operations. There may be other risks and uncertainties that are not known to the Issuer or that the Issuer currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Common Shares could decline substantially, and investors may lose all or part of the value of the Common Shares held by them.

An investment in securities of the Issuer should only be made by persons who can afford a significant or total loss of their investment. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus.

The possible sale of Common Shares released from escrow on each release date could negatively affect the market price of the Common Shares and also result in an excess of sellers of Common Shares to buyers of Common Shares and seriously affect the liquidity of the Common Shares. See "Escrowed Securities".

1. No Ongoing Operations and No Production History

The Issuer is a mineral exploration company and has no operations or revenue.

2. Failure to Obtain Requisite Approvals for Exploration Activity

The Property is located in the Buffalo Point First Nation Community Interest Zone, an area from which the First Nation Band has rights to select its entitlement lands. Land underlain by a Community Interest Zone is not held by the First Nation and does not limit the rights of a mining or exploration company to stake or develop mineral claims, or to obtain mineral leases, but exploration permits must be reviewed by the interested First Nation to prevent large areas within the Community Interest Zone form being staked, making them unavailable for land selection by the First Nation. Several of the claims are also on the Lake of the Woods Water Power Reserve. Ministerial approval is required to divert, use or store water for generating power and for activities that impact water within the water power reserve.

3. Absence of Prior Public Market

There has been no prior public market for the Common Shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their Common Shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the Common Shares. An inactive market may also impair the Issuer's ability to raise capital by selling Common Shares and to acquire other exploration properties or interests by using its Common Shares as consideration.

4. Volatility of Share Prices

Share prices are subject to changes because of numerous factors beyond the Issuer's control, including reports of new information, changes in its financial situation, the sale of its Common Shares in the market, its failure to achieve financial results in line with the expectations of analysts, or announcements by the Issuer or any of its competitors concerning results. There is no guarantee that the market price of the Common Shares will be protected from any such fluctuations in the future.

In the past, companies have experienced volatility in their share value and have been the subject of securities class action litigation. The Issuer might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management's attention and resources and could have a negative effect on the Issuer's business and results of operation.

5. Limited Operating History

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on the Issuer's Property. There is no assurance that the Issuer will ever discover any economic quantities of mineral reserves.

6. Requirement For Further Financing

The Issuer has limited financial resources and may need to raise additional funds to carry out exploration of its Property. There is no assurance the Issuer will be able to raise additional funds or will be able to raise additional funds on terms acceptable to the Issuer. If the Issuer's exploration programs are successful and favourable exploration results are obtained, the Property may be developed into commercial production. The Issuer will require additional funds to place the Property into production. The only sources of future funds presently available to the Issuer are the sale of equity capital, debt, or offering of interests in its Property to be earned by another party or parties by carrying out development work. There is no assurance that any such funds will be available to the Issuer or be available on terms acceptable to the Issuer. If funds are available, there is no assurance that such funds will be sufficient to bring the Property to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Issuer, and could cause the Issuer to forfeit its interest in its Property and reduce or terminate its operations.

7. Exploration

At present, there are no bodies of ore, known or inferred, on the Property and there are no known bodies of commercially recoverable ore on the Property. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of commercial bodies of ore on the Property.

8. Development

The business of exploration for precious metals involves a high degree of risk. Few exploration properties are ultimately developed into producing properties. The Issuer's Property is at the exploration stage.

9. Title to Properties

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. Although the Issuer has investigated its title to the Property for which it holds an option to acquire concessions or other mineral leases or licenses and the Issuer is satisfied with its review of the title to the Property, the Issuer cannot give an assurance that title to the Property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law often are complex. The Issuer does not carry title insurance on the Property. A successful claim that the Issuer does not have title could cause the Issuer to lose its rights to the Property, perhaps without compensation for its prior expenditures relating to the Property.

The Property may now or in the future be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with first nations in order to facilitate exploration and development work on the Property.

Because the Issuer's interest in the Property is by way of the Purchase Agreement which enabled it to acquire a 25% interest in the Property, with an option to acquire the remaining 75% upon the issuance of additional common shares: (i) the Issuer does not own the entire Property, rather the Issuer has a 25% interest in the Property and the right to acquire the remaining 75% interest in the Property by issuing 1,300,000 common shares and meeting certain obligations; (ii) if the Issuer fails to issue common shares in accordance with the Purchase Agreement, it will lose the option to acquire a 100% interest in the Property; (iii) the Issuer is dependent on the Vendor to perform its obligations under the Purchase Agreement and if the Vendor fails to perform his obligations thereunder the Issuer's interest in the Property may be lost. There is no guarantee the Issuer will be able to raise sufficient funding in the future to carry out the recommended work program on the Property.

10. Management

The success of the Issuer is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. There is no assurance that the Issuer can maintain the service of its management or other qualified personnel required to operate its business.

11. Requirement for Permits and Licenses

The Issuer will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the Property, and the Issuer believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Issuer proceed beyond exploration. There can be no guarantee that the Issuer will be able to obtain such licenses and permits.

12. Environmental Risks and other Regulatory Requirements

The current or future operations of the Issuer, including the exploration activities and commencement of production on the Property, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Issuer may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have an material adverse effect on any exploration and development project which the Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

13. Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Issuer. The Issuer does not maintain insurance against environmental risks.

14. Competition

Significant and increasing competition exists for mineral opportunities in the Province of Manitoba. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Issuer. The Issuer may be unable to acquire additional mineral properties or acquire such properties on terms it considers acceptable. Accordingly, there can be no assurance that the Issuer's exploration programs will yield any reserves or result in any commercial mineral operations.

15. Conflicts of Interest

Directors of the Issuer may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the *Canada Business Corporations Act* and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

16. Litigation

The Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Issuer does not know of any such pending or actual material legal proceedings as of the date of this Prospectus.

17. No Cash Dividends Are Expected to be Paid in the Foreseeable Future

The Issuer has not declared any cash dividends to date. The Issuer intends to retain any future earnings to finance its business operations and any future growth. Therefore, the Issuer does not anticipate declaring any cash dividends in the foreseeable future.

18. Ore Reserves and Reserve Estimates

The Issuer's business relies upon the ability to determine whether a given property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience.

19. Dilution in Book Value of Investment

After the issuance of the securities offered by this Prospectus and prior to the exercise of any outstanding share purchase options, the Issuer will have a net tangible book value per common share of $0.089, assuming completion of the Maximum Offering. Accordingly, purchasers of the securities offered under this Prospectus will experience an immediate and substantial dilution of $0.06 per Share (40%) in the net tangible book value of their investment assuming completion of the Maximum Offering.

ELIGIBILITY FOR INVESTMENT

In the opinion of Buttonwood Law Corporation, counsel for the Issuer, subject to the provisions of any particular plan and provided that the Issuer, on the date that the Common Shares are issued, is a "small business corporation" as that term is defined in the *Income Tax Act* (Canada) (the "Tax Act"), the Common Shares offered hereunder will be "qualified investments" under the Tax Act and the regulations thereto in effect on the date hereof for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (a "TFSA") as defined in the Tax Act (collectively, the "Plans").

In the opinion of counsel for the Issuer, the Issuer is, as of the date hereof a "small business corporation" and that the Common Shares are therefore "qualified investments" for the Plans as of the date hereof. Notwithstanding that the Common Shares may, at a particular time, be qualified investments for a trust governed by a TFSA, a holder of the Issuer's Common Shares will be subject to a tax penalty if the Common Shares held in a TFSA are a "prohibited investment" under the Tax Act. The Common Shares generally will not be a "prohibited investment" unless the holder of the TFSA does not deal at arm's length with the Issuer, or the holder has a "significant interest" (within the meaning of the Tax Act) in the Issuer, or a corporation, partnership or trust with which the Issuer does not deal at arm's length for the purposes of the Tax Act. Holders should consult their own tax advisors as to whether the Common Shares will be a "prohibited investment" in their particular circumstances.

PROMOTERS

Wayne Stebbe and Mark Francis are considered to be promoters of the Issuer in that they took the initiative in founding and organizing the Issuer. Mr. Stebbe beneficially owns, or controls or directs, indirectly or directly, 335,000 Shares, representing 8.96% of the issued and outstanding Common Shares of the Issuer. Mr. Francis beneficially owns, or controls or directs, indirectly or directly, 385,000 Shares, representing 10.29% of the issued and outstanding Common Shares of the Issuer. See also “Principal Shareholders” and “Directors and Officers”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material pending legal proceedings or regulatory actions to which the Issuer is or is likely to be a party or of which any of its properties are or are likely to be the subject.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No Insider, director or executive officer of the Issuer and no associate or affiliate of any director, executive officer or Insider has any material interest, direct or indirect, in any transaction within the three years before the date of the Prospectus that has materially affected or is reasonably expected to materially affect the Issuer. See "Executive Compensation".

RELATIONSHIP BETWEEN ISSUER AND AGENT

The Issuer is not a related issuer or connected issuer of the Agent, as those terms are defined in National Instrument 33-105 “Underwriting Conflicts”.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The Issuer's auditor is MNP LLP, Chartered Accountants, of 2500-201 Portage Avenue, Winnipeg, Manitoba, R3B 3K6.

Transfer Agent and Registrar

The Registrar and Transfer Agent for the Issuer is Alliance Trust Company of Suite 450, 407-2nd Street S.W., Calgary, Alberta, T2P 2Y3.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts which the Issuer has entered into in the two years prior to the date of the Prospectus are the following:

1. Purchase Agreement dated December 13, 2010 between the Issuer and William C. Hood.

2. Engagement letter between Union Securities Ltd. and the Issuer dated February 16, 2012, as assigned to the Agent pursuant to a notice of assignment dated October 18, 2012.

3. Agency Agreement between the Agent and the Issuer dated for reference November 22, 2012.

4. Transfer Agency Agreement dated February 2012 between the Issuer and the Alliance Trust Company.

5. NI 46-201 Escrow Agreement dated November 8, 2012 between the Issuer, the principals of the Issuer and the Alliance Trust Company.

6. Canadian National Stock Exchange Listing Agreement executed by the Issuer on November 23, 2012.

Inspection of Material Contracts and Reports

Copies of all the material contracts and reports referred to in this Prospectus may be inspected at the registered office of the Issuer at 102-295 Broadway, Winnipeg, Manitoba during normal business hours during the distribution of the securities offered hereunder, and for a period of 30 days thereafter, as well as on the SEDAR website at www.sedar.com upon the Effective Date of this Prospectus.

EXPERTS

The following person and company have prepared or certified a report, valuation, statement or opinion in this Prospectus:

1. Daniel Beauchamp, P.Geol., M.B.A., was retained by the Issuer to prepare the Technical Report on the Property and is a “qualified person” as defined in National Instrument 43-101; and

2. The Issuer's auditor, MNP LLP, Chartered Accountants, has prepared the audit report accompanying the financial statements attached to this Prospectus.

No person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a part of this Prospectus, or prepared or certified a report or valuation described or included in this Prospectus, has received or shall receive or holds a direct or indirect interest in any securities or property of the Issuer or any associates or affiliates of the Issuer. The auditor is independent in accordance with the auditor's rules of professional conduct in the Province of Manitoba.

OTHER MATERIAL FACTS

Except as otherwise mentioned in this Prospectus, there are no material facts about the securities being distributed pursuant to the Offering that are not disclosed under any other items and are necessary in order for the Prospectus to certain full, true and plain disclosure of all material facts relating to the securities to be distributed.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of Alberta, Manitoba and Ontario provide purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In the provinces of Alberta, Manitoba and Ontario, securities legislation further provides a purchaser with remedies of rescission or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of Alberta, Manitoba and Ontario. The purchaser should refer to any applicable provisions of the securities legislation of Alberta, Manitoba and Ontario for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

The following financial statements are attached to this Prospectus:

1. Financial statements of the Issuer for the fiscal year ended December 31, 2011 and the six month period ended June 30, 2012 (unaudited).

AUDITOR'S CONSENT

We have read the prospectus of Stinton Exploration Ltd. (the "Issuer") dated November 22, 2012 relating to the initial public offering of the common shares of the Issuer. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the shareholders of the Issuer on the statement of financial position of the Company as at December 31, 2011, and the statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2011. Our report is dated March 29, 2012.

Winnipeg, Canada	*"MNP LLP"*
November 22, 2012	Chartered Accountants

Stinton Exploration Ltd.
Financial Statements
For the Year Ended December 31, 2011

Stinton Exploration Ltd.
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For the Year Ended December 31, 2011

Independent Auditors' Report

To the Shareholders of Stinton Exploration Ltd.:

We have audited the accompanying financial statements of Stinton Exploration Ltd., which comprise the statement of financial position as at December 31, 2011, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Stinton Exploration Ltd. as at December 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates that the Company has incurred operating losses and negative cash flows from operations. These conditions, along with other matters as set forth in Note 1, indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Winnipeg, Manitoba

"MNP LLP"

March 29, 2012

Chartered Accountants

Stinton Exploration Ltd.
Statement of Financial Position
As at December 31, 2011

	2011 CDN$
ASSETS	
Cash and cash equivalents	105,519
Accounts receivable	650
Deferred taxes (Note 5)	4,328
	110,497
LIABILITIES	
Accounts payable and accrued liabilities	22,267
Premium liability (Note 6)	3,900
	26,167
EQUITY	
Share capital (Note 6)	120,423
Deficit	(36,093)
	84,330
	110,497

Approved on Behalf of the Board

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The accompanying notes form part of the financial statements

Stinton Exploration Ltd.
Statement of Comprehensive Income
For the Year Ended December 31, 2011

	2011
	CDN$
Administration expenditures	**32,689**
Exploration and evaluation expenditures (Note 8)	**7,000**
Loss before provision for income taxes	**39,689**
Provision for (recovery of) income taxes (Note 5)	**(3,596)**
Net loss and comprehensive loss	**36,093**
Loss per share (Note 7)	
Basic	**0.01**
Diluted	**0.01**

The accompanying notes form part of the financial statements

Stinton Exploration Ltd.
Statement of Changes in Equity
For the Year Ended December 31, 2011

	Number	Amount $
Common shares		
Balance, beginning of year	-	-
Issued as non-flow-through shares	2,260,000	45,250
Issued as flow-through shares	780,000	74,100
Issued as equity-settled share-based payments	700,000	7,000
Share issue costs (net of deferred taxes of $732)	-	(5,927)
Balance, end of year	3,740,000	120,423
Deficit		
Balance, beginning of year		-
Net comprehensive loss		(36,093)
Balance, end of year		(36,093)

Stinton Exploration Ltd.
Statement of Cash Flows
For the Year Ended December 31, 2011

		2011 CDN$
Operating activities		
Net loss	$	(36,093)
Items not involving cash:		
Deferred taxes		(3,596)
Share-based payments		7,000
		(32,689)
Changes in non-cash working capital accounts:		
Accounts receivable		(650)
Accounts payable and accrued liabilities		22,267
		(11,072)
Financing activities		
Proceeds from issuance of equity instruments		123,250
Share issue costs		(6,659)
		116,591
Net increase in cash and cash equivalents and cash and cash equivalents, end of year	$	105,519

The accompanying notes form part of the financial statements

1. Nature of operations and going concern

Stinton Exploration Ltd. (the "Company") is a mineral exploration and development company incorporated under the federal laws of Canada on September 1, 2010. The Company's registered office and principal place of business is located at 295 Broadway, Winnipeg, Manitoba, Canada. The Company's principal business is the exploration for and evaluation of mineral resources. These financial statements cover the period from January 1 to December 31, 2011. There were no activities in the period from incorporation to December 31, 2010.

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain borrowings from third parties sufficient to meet current and future obligations and/or restructure the existing debt and payables. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

2. Significant accounting policies

IFRS compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Presentation of financial statements

The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

These financial statements for the first year ended December 31, 2011 were approved and authorised for issue by the Board of Directors on March 29, 2012.

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits.

Accounts payable

Accounts payable are initially recognized at fair value net of any transaction costs, and are subsequently measured at amortized cost using the effective interest rate method.

Equity instruments

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

The resource expenditure deductions for income tax purposes related to exploratory development activities funded by flow-through share arrangements are renounced to investors in accordance with tax legislation. Flow-through shares issued are recorded in share capital at the fair value of common shares on the date of issue. The premium received on issuing flow-through shares is initially recorded as a deferred credit. As qualifying expenditures are incurred, the premium is reversed and a deferred tax liability is recorded. The net amount is then recognized as deferred tax expense.

2. Significant accounting policies *(continued)*

Share-based payments

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Company obtains the goods or the counterparty renders the service.

Per share information

Basic per share amounts are calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted per share amounts are the same as basic per share amounts as there are no outstanding instruments that are dilutive or potentially dilutive in nature.

Revenue recognition

Because ownership of the product generally passes to the customer at this time, revenue is recognized from oil sales when the oil is delivered to the buyer and from gas sales when the gas passes through the pipeline at the delivery point. Management believes that this policy meets the criteria of revenue recognition, in that there is persuasive evidence of an existing contract or arrangement, delivery has occurred, the price is fixed or determinable and the collectability is reasonably assured.

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of resource properties, property option payments and evaluation activities.

If a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for extraction activities. Capitalization ceases when the property is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Current and deferred income tax

Current tax and deferred tax are recognised in profit or loss except to the extent that the tax is recognised either in other comprehensive income or directly in equity, or the tax arises from a business combination.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The calculation of current tax is based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realized or the liabilities are settled. The calculation of deferred tax is based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time the transaction affects neither accounting or taxable income.

Recognition of deferred tax assets is restricted to those instances where it is probable that future taxable income will be available which allow the deferred tax asset to be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. Significant accounting policies *(continued)*

Financial instruments

All financial instruments are initially recognized on the statement of financial position at fair value at acquisition. Measurement in subsequent periods depends on whether the financial instrument has been classified as fair value through profit or loss, available-for-sale, held-to-maturity, loans and receivables, or other financial liabilities. During the year, there has been no reclassification of financial instruments.

The financial instruments classified as fair value through profit or loss are measured at fair value with unrealized gains and losses recognized in income. The Company's financial instruments classified as fair value through profit or loss include cash and cash equivalents. Cash and cash equivalents are designated as fair value through profit or loss at initial recognition.

The financial assets classified as loans and receivables are initially measured at fair value, then subsequently carried at amortized cost. The Company's financial instruments classified as loans and receivables include accounts receivable.

Financial instruments classified as other financial liabilities include accounts payable and accrued liabilities. Other financial liabilities are initially measured at fair value, then subsequently carried at amortized cost.

Transaction costs related to fair value through profit or loss are expensed as incurred. Transaction costs related to loans and receivables and other financial liabilities are netted against the carrying value of the asset or liability and amortized over the expected life of the instrument using the effective interest rate method.

De-recognition of financial assets

De-recognition of a financial asset occurs when:

- The Company does not have rights to receive cash flows from the asset;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either: pay the received cash flows in full without material delay to a third party under a “pass- through” arrangement; and either: has transferred control of the asset.
- The Company has transferred substantially all the risks and rewards of the asset, or -
- When The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred or retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent that the Company’s continuing involvement in the asset, in that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognized in comprehensive income.

Impairment of assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Non-financial assets are assessed for any indication of impairment at the end of each reporting period. Any indication of impairment requires formal testing of impairment by comparing the carrying amount of the asset to an estimate of the recoverable amount of the asset. An impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

3. Financial Instruments

Fair value of financial instruments

Financial instruments consisting of accounts receivable and accounts payable and accrued liabilities on the statement of financial position are carried at amortized cost. Cash and cash equivalents are carried at fair value. All of the fair value items are transacted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company's cash and cash equivalents have been assessed on the fair value hierarchy described above and are considered Level 1. There were no transfers between fair value hierarchy levels for the year ended December 31, 2011.

For all financial instruments held by the Company, fair value is approximated by the instruments' carrying values due to the short-term nature of the instruments.

Nature and extent of risk associated with financial instruments

The Company's activities result in exposure to a number of financial risks including market risk commodity price risk, interest rate risk, and foreign exchange risk), credit risk, and liquidity risk.

The Company's overall risk management program seeks to mitigate these risks and reduce the volatility of the Company's financial performance. Financial risk is managed by senior management under the direction of the Board of Directors.

The Company may enter into various risk management contracts to manage the Company's exposure to commodity price fluctuations. Currently no risk management agreements are in place. The Company does not speculatively trade in risk management contracts. The Company's risk management contracts are entered into to manage the risks relating to commodity prices from its business activities.

<u>Market risk</u>

Market risk is the risk that the fair value or future cash flow of the Company's financial instruments will fluctuate because of changes in market prices. Components of market risk to which the Company is exposed are discussed below.

<u>Commodity price risk</u>

At present, the Company is not exposed to significant commodity price risk as it is currently in the exploration phase of its business plan and only upon successful conclusion of exploration which is not necessarily certain, will commercial production commence from the Companys' property.

<u>Interest rate risk</u>

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that the Company uses. The Company is not exposed to significant interest rate risk as it has no financial instruments that are subject to interest rates.

3. Financial Instruments *(continued)*

Foreign exchange risk

The Company has no foreign operations and all of the transactions currently entered into are denominated in Canadian currency. The Company currently has no outstanding risk management agreements. Management, in agreement with the Board of Directors, decided that at least in the near term it will not use commodity price agreements. The Company will assume full risk in respect of foreign exchange fluctuations.

Credit risk

Credit risk is the risk that a contracting party will not complete its obligations under a financial instrument and cause the Company to incur a financial loss. The Company is exposed to credit risk on all financial assets included on the statement of financial position. To help mitigate this risk, the Company only enters into material agreements with credit worthy counterparties.

The entire balance included in accounts receivable at year end is related to an overpayment for regulatory fees with a government institution.

The Company assesses quarterly if there has been any impairment of the financial assets of the Company. During the first period ended December 31, 2011, there was no material impairment provision required on any of the financial assets of the Company due to historical success of realizing financial assets. Payments from the Company's largest accounts receivable counterparties have consistently been received within 30 days and the sales agreements with these parties are cancellable with 30 days notice if payments are not received.

As at December 31, 2011, no accounts receivable were considered past due. The Company actively monitors past due accounts and takes the necessary actions to expedite collection. If the Company subsequently determines an account is uncollectable, the account is written off with a corresponding charge to the allowance account. The Company has determined that no doubtful accounts balance is considered necessary at December 31, 2011. There were no accounts written off during the period.

The maximum exposure to credit risk is represented by the carrying amount on the statement of financial position. There are no material financial assets that the Company considers past due.

Liquidity risk

Liquidity risk includes the risk that, as a result of the Company's operational liquidity requirements:

- The Company will not have sufficient funds to settle a transaction on the due date;
- The Company will be forced to sell assets at a value which is less than what they are worth; or
- The Company may be unable to settle or recover a financial asset at all.

To help reduce these risks the Company monitors its cash requirements and cash position to ensure it can meet all obligations as they come due.

The Company's financial liabilities consist solely of accounts payable and accrued liabilities, and they are due in their entirety within one year.

4. Capital management

The Company's objective is to maintain access to sources of capital with which to finance its operations. The Company maintains a capital structure consisting of equity.

The Company manages its capital structure and makes changes to it in light of changes in economic conditions and the risk characteristics of the underlying investments. The Company will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate in the specific circumstances.

The Company manages the following as capital:	
Share capital	**120,423**
Deficit	**(36,093)**
Capital	**84,330**

5. Deferred taxes

The Company's effective income tax rate is calculated as follows:	
Combined federal and provincial statutory income tax rates	**28.50%**
Reduction for Canadian Controlled Private Corporations (CCPCs)	**(17.50%)**
Permanent differences	**(1.94%)**
Provision for (recovery of) income taxes as reported	**9.06%**

Permanent differences relate to $7,000 in equity-settled share-based payments included in net loss that are not deductible for income tax purposes.

The deferred tax relating to items that are charged directly to equity for the period ended is $732.

Significant components of deferred taxes include the following:	
Non-capital losses carried forward	**3,596**
Share issuance costs	**732**
	4,328

As at December 31, 2011, subject to confirmation by income tax authorities, the Company has approximately the following undeducted tax pools:	
Non-capital losses carried forward	**34,021**
Share issuance costs	**5,327**

The non-capital losses carried forward are available to reduce taxable income in future years, and expire in 2031.

6. Share capital

The Company is authorized to issue an unlimited number of voting common shares with no par value. Details of share capital transactions for the first period ended December 31, 2011 are included in the statement of changes in equity. All common shares issued as at December 31, 2011 are fully paid.

The premium liability recorded as a current liability represents the excess of the issue price of flow-through shares less the fair value of the common shares at the time of issue. This premium liability is expected to reverse as renouncements of resource expenditure deductions are made in fiscal 2012.

7. Loss per share

The following table summarized the weighted average common shares used in calculating net loss per share:

	2011 **CDN$**
Numerator	
Net loss for the year - basic and diluted	**(36,093)**
Denominator	
Weighted average shares - basic and diluted	**2,282,356**
Basic and diluted loss per share	**0.01**

8. Exploration and evaluation expenditures

	Expenditures, Jan 1, 2011	**Current Expenditures**	**Option Payments and Grants**	**Expenditures, Dec 31, 2011**
Buffalo Project	**-**	**7,000**	**-**	**7,000**

The $7,000 in current expenditures includes an equity-settled share-based payment of 700,000 common shares of the Company in exchange for certain exploration rights. The value of the expenditures was estimated based on the estimated value of the common shares issued under the terms of the agreement as of the date of the agreement, as the fair value of the exploration rights could not be reliably measured based on the nature of the underlying exploration rights.

9. Related party transactions

During the year ended December 31, 2011, the Company issued 1,590,000 common shares to directors of the Company for gross proceeds of $28,500. In addition, the Company issued 50,000 flow-through common shares to a director for gross proceeds of $5,000.

These transactions are in the normal course of operations and are measured at the exchange amount (the amount of consideration established and agreed to by the related parties).

10. Commitments

Pursuant to the flow-through common shares issued, the Company is committed to spending $78,000 on qualified resource expenditures by December 31, 2012.

11. Subsequent events

The Company has engaged PI Financial Corp. to be its sponsor for an Initial Public Offering on the CNSX stock exchange and has paid fees of $24,000 to date. In addition, the Company has engaged legal counsel to prepare the required Initial Offering documentation and has paid a retainer for these services.

Stinton Exploration Ltd.
Interim Financial Report
For the periods ended June 30, 2012 and 2011
(unaudited)

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For the periods ended June 30, 2012 and 2011
(unaudited)

Stinton Exploration Ltd.
Condensed Interim Statement of Financial Position
As at
(unaudited)

	June 30, 2012	*December 31, 2011*	*June 30, 2011*
	CDN$	*CDN$*	*CDN$*
ASSETS			
Cash and cash equivalents	**19,412**	105,519	33,017
Accounts receivable	**-**	650	-
Prepaid expenses	**31,396**	-	-
Deferred taxes	**-**	4,328	-
	50,808	110,497	33,017
LIABILITIES			
Accounts payable and accrued liabilities	**10,757**	22,267	1,921
Premium liability (Note 5)	**-**	3,900	-
	10,757	26,167	1,921
EQUITY			
Share capital (Note 5)	**120,423**	120,423	49,542
Deficit	**(80,372)**	(36,093)	(18,446)
	40,051	84,330	31,096
	50,808	110,497	33,017

Nature of operations and going concern (Note 1)
Commitments (Note 9)

Approved on Behalf of the Board

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Wayne Stebbe, Director

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David Gurvey, Director

Stinton Exploration Ltd.
Condensed Interim Statement of Comprehensive Income
For the three and six month periods ended June 30, 2012 and 2011
(unaudited)

	Three month period ended June 30, 2012 CDN$	*Three month period ended June 30, 2011 CDN$*
Expenses		
Administration expenditures	**3,736**	470
Exploration and evaluation expenditures (Note 7)	**900**	-
Loss before provision for income taxes	**4,636**	470
Provision for income taxes	**-**	-
Net loss and comprehensive loss	**(4,636)**	(470)
Loss per share (Note 6)		
Basic	**(0.01)**	(0.01)
Diluted	**(0.01)**	(0.01)

	Six month period ended June 30, 2012 CDN$	*Six month period ended June 30, 2011 CDN$*
Expenses		
Administration expenditures	**34,764**	5,867
Exploration and evaluation expenditures (Note 7)	**9,087**	12,579
Loss before provision for income taxes	**43,851**	18,446
Provision for income taxes	**428**	-
Net loss and comprehensive loss	**(44,279)**	(18,446)
Loss per share		
Basic	**(0.01)**	(0.01)
Diluted	**(0.01)**	(0.01)

	2012 Number	***2012 Amount $***	*2011 Number*	*2011 Amount $*
Common shares				
Balance, beginning of period	**3,740,000**	**120,423**	-	-
Issued as non-flow-through shares	**-**	**-**	2,260,000	45,250
Issued as equity-settled share-based payments (Note 8)	**-**	**-**	700,000	7,000
Share issue costs	**-**	**-**	-	(2,708)
Balance, end of period	**3,740,000**	**120,423**	2,960,000	49,542
Deficit				
Balance, beginning of period		**(36,093)**		-
Comprehensive loss		**(44,279)**		(18,446)
Balance, end of period		**(80,372)**		(18,446)

Stinton Exploration Ltd.
Condensed Interim Statement of Cash Flows
For the three and six month periods ended June 30, 2012 and 2011
(unaudited)

	Three month period ended June 30, 2012 CDN$	*Three month period ended June 30, 2011 CDN$*
Operating activities		
Net loss	**(4,636)**	(470)
Items not involving cash:		
Deferred taxes	**-**	-
Share-based payments	**-**	-
	(4,636)	(470)
Changes in non-cash working capital accounts:		
Accounts receivable	**-**	-
Prepaid expenses	**(26,396)**	-
Accounts payable and accrued liabilities	**(4,893)**	(213)
	(35,925)	(683)
Financing Activities		
Proceeds from sale of equity instruments	**-**	6,250
Share issue costs	**-**	(1,119)
	-	5,131
Net increase (decrease) in cash and cash equivalents	**(35,925)**	4,448
Cash and cash equivalents, beginning of period	**55,337**	28,569
Cash and cash equivalents, end of period	**9,412**	33,017

	Six month period ended June 30, 2012 CDN$	*Six month period ended June 30, 2011 CDN$*
Operating activities		
Net loss	**(44,279)**	(18,446)
Items not involving cash:		
Deferred taxes	**428**	-
Share-based payments	**-**	7,000
	(43,851)	(11,446)
Changes in non-cash working capital accounts:		
Accounts receivable	**650**	-
Prepaid expenses	**(31,396)**	-
Accounts payable and accrued liabilities	**(11,510)**	1,921
	(86,107)	(9,525)
Financing Activities		
Proceeds from sale of equity instruments	**-**	45,250
Share issue costs	**-**	(2,708)
	-	42,542
Net increase (decrease) in cash and cash equivalents	**(86,107)**	33,017
Cash and cash equivalents, beginning of period	**105,519**	-
Cash and cash equivalents, end of period	**19,412**	33,017

1. Nature of operations and going concern

Stinton Exploration Ltd. (the "Company") is a mineral exploration company incorporated under the laws of Canada on September 1, 2010. The Company's registered office and principal place of business is located at 295 Broadway, Winnipeg, Manitoba, Canada, R3C 0R9. The Company's principal business is the exploration for and evaluation of mineral resources.

The Company is a development stage entity that does not generate operating revenues and has limited financial resources. The Company is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry and global economic and commodity price volatility. The underlying value of the Company's mineral property rights and the recoverability of the related expenditures are entirely dependent on the Company's ability to obtain the necessary permits to operate and secure the required financing to complete development of and establish future profitable production from its mineral assets, or the process from the disposition of, its mineral property.

While this Interim Financial Report has been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, there are events and conditions that raise substantial doubt on the validity of that assumption. During the six month period ended June 30, 2012, the Company incurred a loss before taxes of $43,851 (June 30, 2011 - $18,446) and as at June 30, 2012 has an accumulated deficit of $80,372 (June 30, 2011 - $18,446) and an unexpended flow-through obligation of $78,000 (June 30, 2011 - $nil). The Company will require additional funding to commence and maintain its current and planned exploration programs and property commitments and for administrative purposes.

While the Company has been successful in obtaining its required financing in the past, there is no assurance that sufficient funds will be available to the Company in the future. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the progress and results of the Buffalo project, the state of debt and equity markets, investor perceptions and expectations and the global financial and mineral markets. The Company anticipates that it will require additional financing through, but not limited to, the issuance of additional equity in order to fund its ongoing exploration and administrative costs. There can be no assurance the Company will be successful in this endeavour.

These financial statements do not reflect adjustments in the carrying values of the assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities in the normal course of operations. Such adjustments could be material.

2. Significant accounting policies

IFRS compliance

The Interim Financial Report is condensed and has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). The same accounting policies and methods of computation were followed in the preparation of this Interim Financial Report as disclosed in the Company's financial statements for the year ended December 31, 2011. The Company's 2011 annual financial statements include incremental annual IFRS disclosures that may be helpful to readers of the interim results and therefore should be read in conjunction with this Interim Financial Report.

Presentation of financial statements

The financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. These financial statements for the quarters ended June 30, 2012 and 2011 were approved and authorised for issue by the Board of Directors on September 28, 2012.

Estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

3. Financial Instruments

Fair value of financial instruments

Financial instruments consisting of accounts receivable and accounts payable and accrued liabilities on the statement of financial position are carried at amortized cost. Cash and cash equivalents are carried at fair value. All of the fair value items are transacted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company's cash and cash equivalents have been assessed on the fair value hierarchy described above and are considered Level 1. There were no transfers between fair value hierarchy levels for the three and six month periods ended June 30, 2012 or 2011. During the period, there has been no reclassification of financial instruments.

For all financial instruments held by the Company, fair value is approximated by the instruments' carrying values due to the short-term nature of the instruments.

Nature and extent of risk associated with financial instruments

The Company's activities result in exposure to a number of financial risks including market risk (commodity price risk, interest rate risk, and foreign exchange risk), credit risk, and liquidity risk.

The Company's overall risk management program seeks to mitigate these risks and reduce the volatility of the Company's financial performance. Financial risk is managed by senior management under the direction of the Board of Directors.

The Company may enter into various risk management contracts to manage the Company's exposure to commodity price fluctuations. Currently no risk management agreements are in place. The Company does not speculatively trade in risk management contracts. The Company's risk management contracts are entered into to manage the risks relating to commodity prices from its business activities.

Market risk

Market risk is the risk that the fair value or future cash flow of the Company's financial instruments will fluctuate because of changes in market prices. Components of market risk to which the Company is exposed are discussed below.

Commodity price risk

At present, the Company is not exposed to significant commodity price risk as it is currently in the exploration phase of its business plan and only upon successful conclusion of exploration which is not necessarily certain, will commercial production commence from the Company's property.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that the Company uses. The Company is not exposed to significant interest rate risk as it has no financial instruments that are subject to significant interest rates.

4. Capital management

The Company's objective is to maintain access to sources of capital with which to finance its operations. The Company maintains a capital structure consisting of equity.

The Company manages its capital structure and makes changes to it in light of changes in economic conditions and the risk characteristics of the underlying investments. The Company will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate in the specific circumstances.

The Company manages the following as capital:

	June 30, 2012 CDN $	*December 31, 2011 CDN$*	*June 30, 2011 CDN$*
Share capital	**120,423**	120,423	49,542
Deficit	**(80,372)**	(36,093)	(18,446)
Capital	**40,051**	84,330	31,096

5. Share capital and premium liability

The Company is authorized to issue an unlimited number of voting common shares with no par value. All common shares issued as at June 30, 2012, December 31, 2011 and June 30, 2011 are fully paid.

6. Loss per share

The following table summarized the weighted average common shares used in calculating net loss per share for the three month period ended June 30, 2012 and 2011:

	June 30, 2012 CDN$	*June 30, 2011 CDN$*
Numerator		
Net loss for the period - basic and diluted	**(4,636)**	(470)
Denominator		
Weighted average shares - basic and diluted	**3,740,000**	2,960,000
Basic and diluted loss per share	**(0.01)**	(0.01)

The following table summarized the weighted average common shares used in calculating net loss per share for the six month period ended June 30, 2012 and 2011:

	June 30, 2012 CDN$	*June 30, 2011 CDN$*
Numerator		
Net loss for the period - basic and diluted	**(44,279)**	(18,446)
Denominator		
Weighted average shares - basic and diluted	**3,740,000**	2,819,337
Basic and diluted loss per share	**(0.01)**	(0.01)

Basic per share amounts are calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted per share amounts are the same as basic per share amounts as there are no outstanding instruments that are dilutive or potentially dilutive in nature.

7. Exploration and evaluation expenditures

The following is a summary of exploration and evaluation expenditures for the three month periods ended June 30, 2012 and2011:

	Total Expenditures, April 1, 2012	Current Expenditures	Option Payments and Grants	Total Expenditures, June 30, 2012
Buffalo Project	**$8,250**	**$900**	**-**	**$9,150**

	Total Expenditures, April 1, 2011	Current Expenditures	Option Payments and Grants	Total Expenditures, June 30, 2011
Buffalo Project	**$7,000**	**-**	**-**	**$7,000**

The following is a summary of exploration and evaluation expenditures for the six month periods ended June 30, 2012 and 2011:

	Total Expenditures, Jan 1, 2012	Current Expenditures	Option Payments and Grants	Total Expenditures, June 30, 2012
Buffalo Project	**$7,000**	**$2,150**	**-**	**$9,150**

	Total Expenditures, Jan 1, 2011	Current Expenditures	Option Payments and Grants	Total Expenditures, June 30, 2011
Buffalo Project	**-**	**$7,000**	**-**	**$7,000**

Included in exploration and evaluation expenditures for the six month period ended June 30, 2012 is an equity-settled share-based payment of 700,000 common shares of the Company in exchange for certain exploration rights. The value of the expenditures was estimated based on the estimated value of the common shares issued under the terms of the agreement as of the date of the agreement, as the fair value of the exploration rights could not be reliably measured based on the nature of the underlying exploration rights.

8. Related party transactions

The Company has defined key management personnel ("KMP") as those persons having authority and responsibility for planning, directing and controlling the key activities of the entity, directly or indirectly, including all directors. As the Company does not currently have any permanent employees, KMP consists solely of the five directors of the Company. Certain of the directors also act as the Chief Executive Officer and Chief Financial Officer of the Company. In the event that either of these individuals became unable to perform their duties, the Company may not be able to operate normally until suitable replacements are found.

There were no amounts paid to KMP for the three and six month periods ended June 30, 2012 and 2011, or payable to KMP as at June 30, 2012 and 2011. As at December 31, 2011, $5,040 was included in accounts payable and accrued liabilities for services provided by KMP for the year ended December 31, 2011. These transactions were recorded at the exchange amount, which is the amount of consideration established by and agreed to by the related parties. These balances are not secured, non-interest bearing and have no set terms of repayment.

9. Commitments

Pursuant to the flow-through common shares issued, the Company is committed to spending $78,000 on qualified resource expenditures by December 31, 2012.

10. Subsequent event

On February 16, 2012, the Company entered into an engagement agreement with Union Securities Ltd. with respect to an offering of shares and listing application on the Canadian National Stock Exchange which was assigned to PI Financial Corp. on October 18, 2012. Under the terms of the agreement, the Company will attempt to raise between $250,000 and $275,000 through the offering of between 2,500,000 and 2,750,000 common shares of the Company at $0.10 per common shares. Total costs associated with this offering are expected to be $100,000, of which $34,000 has already been paid by the Company and included in comprehensive income for the period ended June 30, 2012. In addition, the Company will have to issue Agent's Options on the close of the transaction equal to 10% of the total common shares issued.

CERTIFICATE OF THE ISSUER

Dated: November 22, 2012

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Manitoba, Alberta and Ontario.

"Wayne Stebbe"
Wayne Stebbe
CEO and Director

"David Gurvey"
David Gurvey
CFO and Director

On behalf of the Board of Directors

"Eric Hinton"
Eric Hinton
Director

"S. Mark Francis"
S. Mark Francis
Director

"Keith Sinclair"
Keith Sinclair
Director

CERTIFICATE OF THE PROMOTERS

Dated: November 22, 2012

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Manitoba, Alberta and Ontario.

"Wayne Stebbe"
Wayne Stebbe
Promoter

"S. Mark Francis"
S. Mark Francis
Promoter

CERTIFICATE OF THE AGENT

Dated: November 22, 2012

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Manitoba, Alberta and Ontario.

PI FINANCIAL CORP.

"Jim Locke"
Jim Locke
VP, Investment Banking