SUPER NOVA MINERALS CORP.

Management Discussion & Analysis
For the year ended May 31, 2012

Management Discussion and Analysis ("MD&A") focuses on significant factors that affected the performance or may affect future performance of Super Nova Minerals Corp. ("Super Nova" or the "Company") and is intended to help the reader understand the financial statements of Super Nova. The information herein should be read in conjunction with the audited financial statements for the years ended May 31, 2012 and 2011 and related notes contained therein, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A is prepared as at September 25, 2012 and all monetary amounts are in Canadian dollars unless otherwise stated. Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained therein.

COMPANY OVERVIEW

Super Nova is a Canadian resource exploration company engaged in the acquisition, exploration and development of mineral properties, and currently holds interests in resource properties in British Columbia and Quebec, Canada.

HIGHLIGHTS

The following are highlights of events occurring during the year ended May 31, 2012 and subsequent thereto:

Financing

During the year ended May 31, 2012, the Company closed private placements with subscriptions of 4,970,000 shares at $0.05 and 1,562,500 shares at $0.10 for total proceeds of $404,750 of which $202,500 subscriptions was received in fiscal 2011. Subsequent to the year ended May 31, 2012, the Company closed a private placement and raised $135,400 through the issuance of 712,000 Flow Through shares at a price of $0.12 per share, of which $85,440 was received in fiscal 2012 and issuance of 500,000 shares at a price of $0.10 per share, of which $10,000 was received in fiscal 2012. All proceeds raised were used as planned to fund exploration activities and general working capital.

Amalgamation with 0922519 BC Ltd

During the year ended May 31, 2012, the Company signed an arrangement agreement with 0922519 BC Ltd ("519 BC). Under the terms of the agreement, the common shares of the Company and 519 BC will be exchanged for the common shares of the amalgamated company which will use the name of Super Nova Minerals Corp. (Newco). Each shareholder of 519 BC will receive one share of Newco for six (6) shares of 519 BC held and each shareholder of the Company will receive one share of Newco for each share of the Company. Subsequent to May 31, 2012, the amalgamation received all regulatory approvals and listing the common shares of the Company on Canadian National Stock Exchange ("CNSX") has been conditionally approved by CNSX. The Company is currently finalizing all necessary documents to list its common shares on CNSX.

RESOURCE EXPLORATION PROJECTS

Marbridge Property, Quebec

The Company's 100% interest owned Marbridge Property is nickel-copper-platinum group element (PE) mineralization project, located in the Lamotte Township, 470 km northwest of Montreal and 33 km northwest of Val d'Or in the Abitibi region of west-central Quebec, along the north-trending Highway 109 which joins the town of Riviere-Heva town located on Highway 117 and Amos, 39 km to the north. .

Geologically, the Marbridge property is situated in the south-central Archean Abitibi greenstone belt where it overlies the Malartic Group. The latter is comprised of numerous late batholithic bodies that intrude volcanic and sedimentary sequences. The preceding is comprised of roughly east-westtrending komatiitic and minor volcanic-sedimentary assemblages that curl around three large late- to post-tectonic granitic batholiths.

Comprehensive detailed exploration of the Marbridge Property remains to be undertaken. The Company has planned a two-phased exploration program at Marbridge Property. The first phase would consist of geological mapping, geophysics, geochemistry, and drilling, and the second phase would consist almost entirely of drilling, but would be contingent on the results obtained from Phase I.

During the year ended May 31, 2012, the Company incurred exploration expenditures of $47,670 at Marbridge Property. As of May 31, 2012, costs incurred at Marbridge Property, including acquisition cost of $213,950, amounted to $353,027.

Marbridge Property is subject to a net smelter return royalty of 3%, of which 2% may be purchased for $1,000,000.

Iron Ridge Project, British Columbia

Pursuant to a series of agreements, the Company entered into an option to acquire a 100% interest in the Iron Ridge Property, located in south-eastern British Columbia, approximately 10 kilometers east of the town of Creston, and consisted of five mineral claim blocks, covering a total area of 549.87 hectares. In consideration for acquiring the property, the Company issued 1,300,000 common shares valued at $130,000 during fiscal 2008, issued 2,000,000 common shares valued at $100,000 during fiscal 2011 and paid a total of $39,000 in cash to May 31, 2011. In order to acquire the property, the Company is required to pay an additional $6,000 within 60 days of listing its common shares for trading on a recognized stock exchange.

The Iron Ridge Property is an early exploration stage property with a favourable structural and stratigraphic setting for economic minerals. During the year ended May 31, 2012, the Company carried out a field exploration program which consisted of a small sampling program and ground magnetic survey. At total of 20 rock samples and 116 soil samples were collected on the Iron Ridge Property for the sampling program. Approximately 6.6km of survey lines were covered in the ground magnetic survey in order to provide higher quality geophysical data for assessment purposes in respect to the Iron Ridge Fault. Laboratory assay results of the rock and soil samples showed no indication of any enrichment in economic minerals in the area. However, the ground geophysics produced some interesting structures and trends which could represent possible targets for further re-evaluation.

During the year ended May 31, 2012, the Company incurred exploration expenditures of $54,762 at Iron Ridge Property. As of May 31, 2012, costs incurred at Iron Ridge Property, including acquisition cost of $269,000, amounted to $350,634.

Iron Ridge Property is subject to a net smelter return royalty of 3%, of which 2% may be purchased for $1,000,000.

SELECTED ANNUAL FINANCIAL DATA

The following selected financial information is derived from the audited financial statements and notes thereto. The information has been prepared in accordance with IFRS.

	As at May 31,		
	2012	2011	2010
Current assets	**$ 178,141**	$ 136,996	$ 623
Exploration and evaluation asssets	**703,661**	601,229	505,761
Total assets	**881,802**	738,225	506,384
Current liabilities	**117,888**	89,040	176,866
Flow through premium liabilities	**14,240**	-	-
Shareholders' equity	**749,674**	649,185	329,518
Total liabilities and shareholders' equity	**$ 881,802**	$ 738,225	$ 506,384
Working capital (deficiency)	**$ 60,253**	$ 47,956	$ (176,243)

	Years ended May 31,		
	2012	2011	2010
Revenue	**$ -**	$ -	$ -
Expenses	**182,961**	47,587	14,625
Loss and comprehensive loss for the year	**$ 182,961**	$ 47,587	$ 14,625
Basic and diluted loss per share	**$ 0.02**	$ 0.01	$ -
Weighted average number of common shares outstanding	**11,328,694**	4,346,105	3,734,000
Divisends per share	**$ -**	$ -	$ -

As Super Nova is in the exploration stage, none of the Company's current properties are in production. Therefore, mineral exploration expenditures are capitalized and losses are incurred as a result of administrative expenses related to the operation of the Company's business. Consequently, the Company's loss and comprehensive loss for the year is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chance of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and sale of commodities from its mineral interests, Company will report an annual loss and will rely on its ability to obtain equity or debt financing to fund ongoing operations.

SUMMARY OF QUARTERLY RESULTS (unaudited)

As at	May 31, 2012	Feb 29, 2012	Nov 30, 2011	Aug 31, 2011	May 31, 2011	Feb 28, 2011	Nov 30, 2010	Aug 31, 2010
Current assets	**$ 178,141**	$ 133,856	$ 165,457	$ 226,591	$ 136,996	$ 169,818	$ 23	$ 23
Exploration and evaluation asssets	**703,661**	693,659	679,386	645,023	601,229	467,483	511,762	511,762
Total assets	**881,802**	827,515	844,843	871,614	738,225	637,301	511,785	511,785
Current liabilities	**117,888**	106,689	97,939	101,393	89,040	99,280	187,009	183,542
Flow through premium liabilities	**14,240**	-	-	-	-	-	-	-
Shareholders' equity	**749,674**	720,826	745,904	770,221	649,185	538,021	324,776	328,243
Total liabilities and shareholders' equity	**$ 881,802**	$ 827,515	$ 843,843	$ 871,614	$ 738,225	$ 637,301	$ 511,785	$ 511,785
Working capital (deficiency)	**$ 60,253**	$ 27,167	$ 67,518	$ 125,198	$ 47,956	$ 70,538	$ (186,986)	$ (183,519)

	Quarters ended							
	May 31, 2012	Feb 29, 2012	Nov 30, 2011	Aug 31, 2011	May 31, 2011	Feb 28, 2011	Nov 30, 2010	Aug 31, 2010
Revenue	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Expenses	**87,852**	28,330	39,317	27,462	29,086	13,758	3,467	1,276
Loss and comprehensive loss for the period	**$ 87,852**	$ 28,330	$ 39,317	$ 27,462	$ 29,086	$ 13,758	$ 3,467	$ 1,276
Basic and diluted loss per share	**$ 0.01**	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Weighted average number of common shares outstanding	**12,241,822**	12,004,050	12,004,050	9,032,854	6,588,398	3,742,939	3,734,050	3,734,050
Divisends per share	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -

RESULTS OF OPERATIONS

Year ended May 31, 2012 vs. Year ended May 31, 2011

Net loss for the year ended May 31, 2012 was $182,961(loss per share: $0.02), and increase of $135,374 compared to the loss of $47,587 incurred during the year ended May 31, 2011. The increase of loss was mainly due to the increase of consulting, professional, and administrative activities as follows:

Consulting for year ended May 31, 2012 was $82,289, an increase of $68,814 compared to the cost of $13,475 incurred in last year, and mainly due to increased investor relations activities carried out by the Company.

Office and Miscellaneous for year ended May 31, 2012 was $14,604, an increase of $10,679 compared to the cost of $3,925 incurred in last year, and mainly due to increased accounting and administration services used.

Professional fee for year ended May 31, 2012 was $37,768, an increase of $30,316 compared to the cost of $7,452 incurred in last year, and mainly due to the amalgamation with 519 BC as the Company had the financial statements to be audited by an independent auditor while no such audit work was done in prior years.

Rent for year ended May 31, 2012 was $9,300, a decrease of $4,435 compared to the cost of $13,735 incurred in last year.

Amortization for year ended May 31, 2012 was $1,372, an increase of $1,372 as there is no amortization expense incurred last year.

Administration for year ended May 31, 2012 was $39,000, an increase of $30,000 compare to the cost of $9,000 incurred in last year, and mainly due to the increased administration work associated to the amalgamation with 519 BC.

<u>Fourth Quarter ended May 31, 2012 ("Q4 2012") vs. Fourth Quarter ended May 31, 2011 ("Q4, 2011")</u>

Net loss in Q4 2012 was $87,852, and increase of $58,766 compared to the loss of $29,086 incurred in the same period last year. The increase of loss was mainly due to the increase of consulting and professional as follows:

Consulting in Q4 2012 was $33,697, an increase of $22,372 compared to the cost of $11,325 incurred in last same period last year and mainly due to increased investor relations activities carried out by the Company.

Office and Miscellaneous in Q4 2012 was $8,867, an increase of $3,815 compared to the cost of $5,052 incurred in same period last year, and mainly due to increased accounting and administration services used.

Professional fee in Q4 2012 was $34,360, an increase of $33,979 compared to the cost of $381incurred in the same period last year, and mainly due to the amalgamation with 519 BC as the Company had the financial statements to be audited by an independent auditor while no such audit work was done in prior periods.

Rent in Q4 2012 was $2,550, a decrease of $1,685 compared to the cost of $4,235 incurred in the same period last year.

Administration in Q4 2012 was $9,750, an increase of $1,657 compared to the cost of $8,093 incurred in last year, and mainly due to the increased administration work associated to the amalgamation with 519 BC.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the exploration stage and therefore has incurred losses and negative cash flows from operations. The Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placement.

The Company's ability to raise cash depends on capital market conditions, commodities price, and the results of ongoing exploration programs. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activity.

The mining industry is capital intensive and there can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to explore and develop any acquisitions. There is no assurance that the Company will be successful in obtaining the funds it may require for its program or that the terms of any financing obtained will be acceptable.

The Company has no commitments for capital expenditures and financing arrangements which have been arranged but not yet used as at May 31, 2012.

As at May 31, 2012, the Company had cash and cash equivalents on hand of $122,829 (May 31, 2011 - $134,836). The decrease of cash and cash on hand was mainly due to more cash was used in operation activities during the year ended May 31, 2012.

Cash used in operating activities for the year ended May 31, 2012 was $206,182 compared to a total of $58,129 used in 2011. More cash used in operation was because the Company incurred more loss due to increase of consulting, professional and administrative activities.

In Q4 2012, cash used in operating activities was $85,912 (Q4 2011 - cash used of $24,824). More cash used in operation was because the Company incurred more loss due to increase of consulting, professional and administrative activities.

Cash provided from financing activities for the year ended May 31, 2012 was $297,690 compared to a total of $202,500 cash generated from financing activities in 2011. All cash from financing activities were raised through equity financing conducted during the years.

In Q4 2012, cash provided by financing activities was $130,940 (Q4 2011 - $114,500) through equity financing.

Cash used in investing activities for the year ended May 31, 2012 was $104,055 compared to a total of $10,158 cash used in investing activities in the 2011. The increase of cash used in investing activities was mainly due to the acquisition of a piece of equipment and the increase of exploration activities during the year of 2012.

In Q4 2012, a total of $27,653 (Q4 2011 - $10,158) cash was used in investing activities as more exploration activities were carried in Q4 2012.

Working capital as at May 31, 2012 was $60,253 compared to the working capital of $47,956 as at May 31, 2011. Shareholder's equity as at May 31, 2012 was $749,674 (May 31, 2011 – 649,185). The Company will need to raise additional sources of funding to maintain operations at the currently level. Although the Company has been successful in the past in rising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions were in the normal course of operations and were measured at the exchange amount, which was the amount of consideration established and agreed by the related parties. All related transactions balances are unsecured, interest-free, and repayable on demand. Related party transactions not disclosed elsewhere include the following:

Key management personnel compensation

The Company considers senior officers and directors to be key management. During the year ended May 31, 2012, the remuneration for key management was $39,000 (May 31, 2011 - $13,500). As at May 31, 2012, the Company owed key management a total of $47,409 (May 31, 2011 - $22,660), of which a total of $23,409 (May 31, 2011 - $22,660) was due to Quorum Capital Corp. ("Quorum").

Other related party transactions

a) Golden Dawn Mineral Inc. ("Golden Dawn"), a public traded company with common directors and officers of the Company, provides office space and administration services to the Company. During the year ended May 31, 2012, the Company incurred $49,709 (May 31, 2011 - $10,500) payable to Golden Dawn for its services provided. As at May 31, 2012, a total of $13,145 payable to Golden Dawn remained outstanding (May 31, 2011 - $20,879).

b) During the year ended May 31, 2011, the Company issued 1,100,000 shares, which valued at $55,000, to Quorum to settle the amount owing to Quorum.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting periods. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's asset and liabilities are as follows:

Exploration and evaluation assets

The Company capitalizes all costs, net of any recoveries, related to the acquisition, exploration and development of resource property interests. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims are allowed to lapse. The amounts shown for resource property acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values.

From time to time the Company may acquire or dispose of an unproven mineral interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

On a periodic basis, management reviews the carrying values of unproven mineral interest acquisition and exploration expenditures with a view to assessing whether there has been any impairment in value. Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future mineral prices, and reports and opinions of outside geologists, mine engineers and consultants. When it is determined that a project of interest will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or interest.

Although the Company has taken steps to ensure the title to an unproven mineral interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures may not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Income taxes

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases and tax losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax payable requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is "probable" that the Company will benefit from these prior tax losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

Recent Accounting Pronouncements

ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

As of January 1, 2013, the Company will be required to adopt amendments to International Accounting Standards "IAS" 1 "Presentation of Financial Statements" which will require companies to group together items within Other Comprehensive Income that may be reclassified to the net earnings section of the statement of loss and comprehensive loss. The Company does not expect a material impact as a result of the amendment.

Each of the additional new standards outlined below is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted, except for IFRS 9 "Financial Instruments" which is effective for annual periods beginning on or after January 1, 2015. The Company has not yet assessed the impact, if any, that the new amended standards will have on its financial statements or whether to early adopt any of the new requirements.

IFRS 9 "Financial Instruments"
The result of the first phase of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement". The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value.

IFRS 10 " Financial Statements"
Replaces Standing Interpretations Committee 12, "Consolidation – Special Purpose Entities" and the consolidation requirements of IAS 27 " and Separate Financial Statements". The new standard replaces the existing risk and a reward based approaches and establishes control as the determining factor when determining whether an interest in another entity should be included in the financial statements.

IFRS 11 "Joint Arrangements"
Replaces IAS 31 "Interests in Joint Ventures". The new standard focuses on the rights and obligations of an arrangement, rather than its legal form. The standard redefines joint operations and joint ventures and requires joint operations to be proportionately and joint ventures to be equity accounted.

IFRS 12 "Disclosure of Interests in Other Entities"
Provides comprehensive disclosure requirements on interests in other entities, including joint arrangements, associates, and special purpose vehicles. The new disclosures require information that will assist financial statement users in evaluating the nature, risks and financial effects of an entity's interest in subsidiaries and joint arrangements.

IFRS 13 "Fair value measurement"
Clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among specific standards requiring fair value measurements and in many cases does not reflect measurement basis or consistent disclosures.

Amendments to other standards
In addition to the above, there have been amendments to existing standards, including IAS 27 "Separate Financial statements" and IAS 28 "Investments in Associated and Joint Venture. IAS 27 addresses accounting for subsidiaries, associates, and joint controlled entities in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13 (see above).

Readers are encouraged to refer to the complete set of significant accounting policies as described in the notes to Company's audited financial statements for the year ended May 31, 2012

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Note that receivables are HST due from Government, low risk.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Company limits its exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist of Harmonized Sales Tax ("HST") receivable from the Canadian government and are considered low risk.

Currency risk

The Company operates primarily in Canadian dollars and as such is not affected by the fluctuations of the Canadian dollar with other currencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Interest rate risk

The Company normally invests in short-term interest bearing financial instruments. There is a minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificate included in cash as they are currently held in large financial institutions.

Fair value measurements of financial assets and liabilities

Disclosure about significance of inputs used in making fair value measurements is as follows:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The Company believes that the recorded values of receivables, due from related parties and accounts payable and accrued liabilities, approximate their current fair values because of their nature and relatively short maturity dates or durations.

OTHER RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources.

Substantial expenditures are required to be made by the Company to establish ore reserves. The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and only few properties which are explored are ultimately developed into producing mines.

Exploration of the Company's mineral exploration may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Trends, commitments, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial position, or results of operations*,* are as follows*:*

- Current market volatility and general share price decline in the financial sector, including the Exchange, may impact the Company's ability to raise further capital and fund ongoing operations.

- To maintain operational expenses going forward, the Company will require non flow through funds either through a private placement financing, the exercise of stock options or warrants, or the sale of unproven mineral interests.

OUTSTANDING SHARE DATA

The Company's authorized capital is an unlimited number of common shares without par value. As at September 25, 2012 the Company had 15,784,995 common shares outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off balance sheet items.

PROPOSED TRANSACTIONS

There are no proposed assets or business or disposition.

ADDITIONAL DISCLOSURE FOR VENTUERE ISSUER WITHOUT SIGNIFICANT REVENUE

(a) Capitalized or expensed exploration and development cost

The required disclosure is presented in note 4 to the audited financial statements for the year ended May 31, 2012.

(b) Expense research and development cost

Not applicable.

(c) Deferred development costs

Not applicable.

(d) General and administration expense

The required disclosure is presented on the statements of los and comprehensive loss for the year ended May 31, 2012.

(e) Any material cost, whether capitalized, deferred or expensed, not referred to in (a) through (d)

None.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS

The Company's management, including the Chief Executive Officer and the Chief Financial Officer is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting ("ICFR") is a process designed by, or under the supervision of the Company's principal executive and financial officers and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with ("IFRS"). The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Canadian GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believes that any system of internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control over Financial Reporting

There has been no change in the design of the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this Management's Discussion and Analysis.

Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective in providing reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported within the appropriate time periods and in ensuring that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information

FORWARD LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by the use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", "plans" or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward- looking statements. Forward-looking statements are statements that are not historical facts, and include but not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the markets for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Additional information relating to the Company can be obtained from SEDAR at www.sedar.com.

DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents. No securities commission or regulatory authority has reviewed the accuracy of the information presented herein.