

**RIFT VALLEY RESOURCES CORP.**

**Form 51-102F1 – Management Discussion and Analysis**

**Interim Report for the nine month period ended September 30, 2015**

**DISCLAIMER FOR FORWARD-LOOKING INFORMATION**

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of September 30, 2015. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) inability to locate and identify potential business acquisitions, (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control. There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

***1.1 – Date and Basis of Discussion & Analysis***

This management discussion and analysis ("2015 Q3 MD&A") is dated as of November 30, 2015 and should be read in conjunction with the unaudited financial statements of Rift Valley Resources Corp. for the nine month period ended September 30, 2015 ("September 30, 2015 Financial Statements"). Our discussion in this 2015 Q3 MD&A is based on the September 30, 2015 Financial Statements. The September 30, 2015 Financial Statements are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. Unless expressly stated otherwise, all financial information is presented in Canadian dollars.

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***1.2 – Overall Performance***

**Nature of Business**

Rift Valley Resources Corp. was incorporated under the Laws of the Province of British Columbia on December 14, 2009. On March 20, 2013, Rift Valley amalgamated with Avatar Ocean Technology Inc. (“Avatar”), a reporting issuer and continues under the name Rift Valley Resources Corp. (the “Company” or “Rift Valley”). The address of the Company’s corporate office and its principal place of business is 500-900 West Hastings Street, Vancouver, British Columbia, Canada. The Company’s registered and records office address is 2800-666 Burrard Street, Vancouver, British Columbia, Canada. As of September 30, 2015 the Company was in the exploration stage.

At September 30, 2015, the Company had not yet achieved profitable operations, had accumulated a deficit of \$1,202,133 had working capital deficit of \$16,413, which may not be sufficient to sustain operations over the next twelve months, and the Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. However, it is expected that these funds are sufficient to complete its business as discussed in “Financing” below. The Company’s ability to continue as a going concern is dependent upon its ability to generate future profitable operations and to identify, evaluate and negotiate potential business acquisitions or participation agreements.

**Financing**

The Company received subscription proceeds of \$117,000 in Q3 of 2014 for the issue of units. On April 30, 2015, the Company issued 3,900,000 units at \$0.03 per unit for total proceeds of \$117,000. Each unit consisted of one common share and one warrant. The warrants are exercisable at \$0.05 per common share until April 30, 2017. The Company is in the process of raising additional capital. Management expects to maintain operating expenses from working capital on hand and from the existing shareholders. Management is in negotiations to extend the Cat Mountain option in case the current year requirements for exploration and fees are not met. The optionor has issued a notice of default on the Cat Mountain option.

**RIFT VALLEY RESOURCES CORP.****Form 51-102F1 – Management Discussion and Analysis****Interim Report for the nine month period ended September 30, 2015****Cat Mountain Property, British Columbia****Property Acquisition Details**

In September 2011, the Company entered into a memorandum of understanding with the Cat Mountain Syndicate to acquire an option to acquire an undivided 75% right, title and interest to twenty contiguous mineral claims (the “Cat Mountain Property”) located in west central British Columbia, except for a 2% net smelter royalty (the “NSR”), comprised of approximately 5,984 hectares. The memorandum of understanding was extended into an Option Agreement (the “Agreement”) on November 30, 2011. Pursuant to the Agreement, the Company may purchase 1% of the two percent 2% NSR at any time for \$2,000,000. The Company can acquire the interest by issuing an aggregate of 1,000,000 common shares of Rift Valley, paying \$500,000 in cash and incurring \$1,500,000 in expenditures on the property within five years. Upon acquiring the 75% interest, the Company can acquire an additional 15% undivided interest upon completing an additional \$3,500,000 in expenditures on the property within three years. The Company can acquire an additional 10% undivided interest upon funding the property until commercial production has begun.

The Company was required to pay the vendor a \$50,000 option fee and issue 500,000 shares on execution of the memorandum of understanding. The Company has made this payment and issued the shares in 2011. On January 9, 2013 (with a correction on April 30, 2013 and an additional extension November 25, 2013), and an additional extension November 19, 2014, the share issuance, cash payment and exploration expenditure schedule was amended. The consideration for this amended agreement is a cash payment of \$10,000 to be made by January 31, 2013 (paid) and the issuance of 100,000 common shares to the optionors on the date that the shares of the Company initially begin trading to be made on the stock exchange(issued on May 14, 2013). The payments are due as follows:

	Share Issuance	Cash Payments	Exploration Expenditures
On signing memorandum of understanding (paid)	-	\$ 50,000	-
On first day of execution of Agreement (issued)	500,000	-	-
On March 30, 2013 (issued on May 14, 2013)	100,000	-	-
On March 30, 2014 (issued on May 19, 2014)	100,000	-	-
On October 31, 2014 (expended by December 31, 2014)	-	\$ 5,000	\$350,000
On March 30, 2015 (issued on May 1, 2015)	100,000	-	-
On October 31, 2015	-	\$145,000	\$400,000
On March 30, 2016	100,000	-	-
On October 31, 2016	-	\$100,000	-
On March 30, 2017	100,000	-	-
On October 31, 2017	-	\$100,000	\$750,000
On October 31, 2018	-	\$100,000	-
<b>Total</b>	<b>1,000,000</b>	<b>\$500,000</b>	<b>\$1,500,000</b>

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***Property Description***

The Cat Mountain Property is a copper-gold prospect situated in the Quesnellia geological terrane, approximately 300 kilometres northwest of Prince George, British Columbia. The project area measures 5,985 hectares and consists of 20 contiguous MTO mineral claims that are held in good standing. The claims are registered to Donald Bragg and are under option to Rift valley Resources. There is road access to the southern and central area of the property and 4WD access to the main mineral showings. Excellent gravel Forest Service Roads originating from Mackenzie, BC provide access to the property.

The property lies along the east perimeter of the large, polyphase, Late Triassic to Early Cretaceous Hogem Batholith, where small satellite intrusions of this body intrude the Witch Lake Formation of the Upper Triassic Takla Group volcanic sequence. The Witch Lake rocks are comprised of thick, massive basaltic breccias and pyroclastic rocks overlying tuffs, argillite and lesser limestone of the Inzana Lake Formation, which underlies much of the east slopes of Cat Mountain and the low lying terrain farther east. The Hogem Batholith is an important metallogenic intrusive body known to host significant porphyry copper-gold deposits such as the Lorraine and the Kwanika deposits.

Gold was first discovered on the summit area of Cat Mountain in the 1940's in the form of narrow magnetite-rich veins and lodes, which were later tested by trenching and several short diamond drill holes. Mineralization at the discovery showing is comprised of a number of steeply dipping magnetite and magnetite quartz-calcite veins of variable thickness with chalcopyrite, pyrite, native gold, hematite, malachite and azurite present. The "No. 1" vein contains visible gold and has returned assays up to 548 g/t Au. More typical assays are 11.7 g/t Au and 0.49% Cu over 1.1 m and 9.6 g/t Au and 0.58% Cu over 2.3 m. The area comprising the No. 1 vein hosts smaller magnetite-copper-gold bearing veins as well as disseminated and fracture controlled mineralization and collectively the area is referred to as the Bet Zone. Initial work focused on the high-grade vein systems, with the dramatic rise in the price of gold the Bet Zone has been reconsidered for its potential to host a relatively high-grade alkali gold porphyry deposit, and remains largely untested along strike and at depth. Significant drill results, in this light, include Hole 90-1 which returned 122 metres of 1.1 g/t Au (apparent width) and hole 94-1 which intersected 100 metres (apparent width) of 1.36 g/t Au.

Prospecting and extensive trenching on the summit also identified widespread porphyry-related copper-gold zones to the west and south of the main discovery that comprised disseminations and fracture-fillings of malachite, azurite, chalcopyrite, pyrite and chalcocite in intrusive syenitic rocks and coarse fragmental volcanic rocks of the Witch Lake Formation. These zones became known as the Upper and Lower Copper zones and the Hoffman zone. Historical trenching on these targets returned some significant results; including 0.65% Cu over 59 m in trench 53; and 2.07% Cu and 1.37 g/t Au over 15 m trench 45. Drill hole 90-1 had an intercept of 0.12% Cu and 1.23 g/t Au over 74 m. Significant drill results from the Hoffman zone include 46 metres (apparent width) of 0.24% Cu in hole 05-17, and 46 metres (apparent width) of 0.31% Cu in hole 07-24.

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***Property Description (continued)***

Exploration programs have been conducted on the property from the 1980's to the present day; the last significant work program completed prior to Rift Valley optioning the property was in 2007. These different programs have included drilling, trenching, geophysical surveys (magnetic and electromagnetic) soil geochemistry and geological mapping. Different operators have focused on different showings and there is considerable data available to guide future exploration programs.

A detailed program of geological and geochemical compilation, field survey and 3D IP and diamond core drilling is recommended for the property in 2012. The total estimated cost of the Phase One program is approximately \$940,000, including 10% contingency but net of sales tax (GST). A follow-up Phase Two program of more detailed IP and ground magnetometer survey and diamond drilling is recommended with an estimated cost of \$1,775,000, including 10% contingency but net of GST.

***Property Work to Date***

The Company performed a \$42,863 due diligence work program in 2011 in connection with the acquisition of the Cat Mountain Property option. The Company engaged Ridgeview Resources Ltd., with Ken McDonald PGeo, to complete a NI 43-101 compliant technical report of the Cat Mountain Property dated May 15, 2012. The Company performed a \$256,642 work program in the fall of 2012 (\$101,898 incurred to Sept 30, 2012 and an additional \$154,744 incurred to December 31, 2012). The exploration program completed by Rift Valley in 2012 consisted mainly of line-cutting and road improvements. Additional work was planned but not completed due to the lateness in receiving work permits and the onset of winter conditions.

An excavator was contracted to make improvements to the main access road leading to the summit of Cat Mountain. The road had deteriorated since 2007 and was only passable with an All-Terrain-Vehicle; the excavator widened some of the corners, improved switchbacks and cleaned loose debris allowing access for 4-wheel drive pickups. An old forestry road on the lower slopes of Cat Mountain was also rehabilitated to allow access to the line cutting grid on the lower, southern slopes of Cat Mtn. Two line cutting grids were proposed at the start of the program, the north grid covering the Bet Zone area and the south grid, covering potential porphyry targets and geophysical anomalies. There was some overlap with previous grids but the majority of the grids encompassed areas not previously surveyed. As the program developed, the two grids were merged into one. A total of 48 line-kilometres were cut and flagged, linespacing was 100 metres, stations were established along the grid lines at 25 metre intervals.

The Company did not perform any significant exploration work during the nine month period ended September 30, 2015.

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**1.3 – Selected Annual Information – N/A**

**1.4 – Results of Operations**

Operations during the nine month period ended September 30, 2015 were primarily related to obtaining the necessary financing, as well as continuing the identification and evaluation of mineral properties.

There were no investor relations arrangements entered into during the nine month period ended September 30, 2015. There were no legal proceedings, contingent liabilities, and defaults under debt or other contractual obligations, breach of any laws or special resolutions during the nine month period ended September 30, 2015.

During the nine month period ended September 30, 2015, the Company incurred \$4,000 in net mineral property exploration costs (2014 \$76,351) and incurred operating expenses of \$36,805 (2014 \$54,561), consisting of professional fees of \$12,607 (2014 \$22,308), rent and occupancy of \$11,113 (2014 \$9,650), exchange fees of \$7,649 (2014 \$7,268), transfer agent of \$4,217 (2014 \$8,186), travel and promotion of \$446 (2014 \$1,068), office and miscellaneous fees of \$551 (2014 \$1,081) and consulting of \$222 (2014 \$5,000). There were no consulting fees as management voluntarily stopped billing for services from May 2013 until IPO due to cash constraints. Management will not be billing for these past services in the future. The 2015 professional fees relate to the 2014 audit. The remaining costs were generally consistent with the prior period.

Operations during the three month period ended September 30, 2015 were primarily related to obtaining the necessary financing, as well as continuing the identification and evaluation of mineral properties.

There were no investor relations arrangements entered into during the three month period ended September 30, 2015. There were no legal proceedings, contingent liabilities, and defaults under debt or other contractual obligations, breach of any laws or special resolutions during the three month period ended September 30, 2015.

During the three month period ended September 30, 2015, the Company incurred \$nil in net mineral property exploration costs (2014 \$67,961) and incurred operating expenses of \$7,052 (2014 \$18,823), consisting of professional fees of \$676 (2014 \$7,055), rent and occupancy of \$3,000 (2014 \$3,650), exchange fees of \$1,500 (2014 \$1,500), transfer agent of \$1,469 (2014 \$4,227), travel and promotion of \$nil (2014 \$1,068), office and miscellaneous fees of \$185 (2014 \$323) and consulting of \$222 (2014 \$1,000). There were no consulting fees as management voluntarily stopped billing for services from May 2013 until IPO due to cash constraints. Management will not be billing for these past services in the future. The remaining costs were generally consistent with the prior period.

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**1.5 – Summary of Quarterly Results (Unaudited)**

<b>As at</b>	<b>30-Sep-15</b>	<b>30-Jun-15</b>	<b>31-Mar-15</b>	<b>31-Dec-14</b>	<b>30-Sep-14</b>	<b>30-Jun-14</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
	\$	\$		\$	\$	\$	\$	\$
<b>Current Assets</b>	4,673	10,197	46,525	62,771	111,032	58,373	87,427	97,561
<b>Other Assets</b>	23,635	23,635	26,968	26,968	26,968	26,667	26,667	26,667
<b>Mineral Assets</b>	437,028	437,028	436,528	433,028	417,417	349,456	341,066	341,066
<b>Total Assets</b>	465,335	470,860	510,021	522,767	555,417	434,496	455,160	465,294
<b>Current Liabilities</b>	21,086	19,559	46,876	42,213	59,669	36,924	33,128	36,984
<b>Shareholders' Equity</b>	1,646,383	1,646,383	1,645,882	1,645,882	1,649,882	1,532,882	1,527,882	1,527,882
<b>Deficit</b>	(1,202,133)	(1,195,081)	(1,182,738)	(1,165,328)	(1,154,134)	(1,135,310)	(1,105,851)	(1,099,572)
<b>Total Liabilities and Shareholders' Equity</b>	465,335	470,860	510,021	522,767	555,417	434,496	455,160	465,294
<b>Quarters ended</b>	<b>30-Sep-15</b>	<b>30-Jun-15</b>	<b>31-Mar-15</b>	<b>31-Dec-14</b>	<b>30-Sep-14</b>	<b>30-Jun-14</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
<b>Revenue</b>	-	-	-	-	-	-	-	-
<b>Operating Expenses</b>	7,052	12,343	17,410	11,195	18,823	29,459	6,279	13,837
<b>Stock Based Compensation</b>	-	-	-	-	-	-	-	-
<b>Loss and Comprehensive Loss for Period</b>	7,052	12,343	17,410	11,195	18,823	29,459	6,279	13,837
<b>Basic and diluted loss per share</b>	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
<b>Weighted average number of common shares outstanding</b>	22,813,874	21,924,985	20,591,652	20,591,652	20,591,652	20,491,652	20,491,652	20,491,652

The Company raised \$820,250 of capital from private placements for 17,625,000 shares in 2011 and 2012. Stock based compensation of \$112,500 was included consulting fees as described in 1.12 below and \$25,000 was included in mineral assets as described in 1.2 below in 2011. The net result was share capital of \$953,155 after \$4,595 share issue costs. The Company raised an additional \$120,000 of capital from private placements for 766,667 shares in 2013. The Company also issued 1,999,985 shares valued at \$399,997 pursuant to the amalgamation described in 1.2 above and received a capital contribution from management of \$37,000 included in Contributed Surplus. The net result was share capital of \$1,490,882 after \$2,270 share issue costs. The Company completed a major work program in 2012 consisting primarily of line cutting and road building in preparation for an IP survey and received the corresponding BC mining tax credits in 2013.

The operating expenses were generally consistent except for the listing expenses incurred related to the amalgamation and the travel to conferences related to capital raising activities described above.

On April 30, 2015, the Company issued 3,900,000 units at \$0.03 per unit for total proceeds of \$117,000 as described in 1.2 above.

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***1.6 – 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.

On January 1, 2015, the Company continued an agreement regarding the rent sharing arrangement. Rift Valley Resources Corp. will pay \$3,500 per month, less sublets and cost recoveries as rental for the use of the shared office premises. Phone, and equipment usage is provided at no cost by a company controlled by an officer of the Company. Other than the above mentioned agreements and the Option agreement for the Cat Mountain property, the Company has no other commitments for capital expenditures as at September 30, 2015. As at September 30, 2015, the Company had cash and cash equivalents on hand of \$996 (2014 - \$54,749). The decrease of cash and cash on hand was primarily due to operating activities.

During the nine month period ended September 30, 2015, cash used in operating activities was \$60,105 (2014 – \$40,172).

During the nine month period ended September 30, 2015, cash used in investing activities was \$167 (2014 – \$71,652).

During the nine month period ended September 30, 2015, cash increased by financing activities was \$nil (2014 – \$117,000).

Shareholder's equity as at September 30, 2015 was \$444,249 (2014 – \$444,417). 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.



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The capital resources of the Company as at September 30, 2015 are primarily its cash and cash equivalents of \$996. The Company will require additional financing to fund any anticipated exploration expenditures, operating expenses or future acquisitions. The Company anticipates funding future expenditures through additional equity subscriptions, such as private placements or through the exercise of warrants and options. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or for the amounts desired or that it can be obtained on terms acceptable to the Company and its shareholders. Accordingly, the Company is investigating various business opportunities that ideally will increase the Company's positive cash flow.

If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock.

**1.8 – Off Balance Sheet Arrangements**

As at September 30, 2015, there were no off-balance sheet arrangements to which the Company is committed.

**1.9 – Transactions with Related Parties**

The Company had the following balances and transactions with executive officers or companies controlled by these officers for the nine month period ended September 30, 2015:

	September 30, 2015	September 30, 2014
Transactions:		
Rent and occupancy costs paid to a company by controlled by executive officers	\$ Nil	\$ 9,650
Fees paid to Vice President	\$ Nil	\$ 4,000
Exploration costs paid to Vice President	\$ Nil	\$ 2,500
Balances:		
Accounts Payable:		
Chief Executive Officer	\$ 53	\$ -
Chief Financial Officer	\$ -	\$ -
Vice President - Exploration	\$ 2,625	\$ -

There were no other transactions with related parties except as noted in 1.2 above and 1.15 below.

**1.10 – Fourth Quarter – N/A****1.11 – Proposed Transactions**

The Company has no pending or proposed transactions at September 30, 2015.

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***1.12 – Critical Accounting Estimates***

The Company has outlined the basis of its critical accounting estimates in Note 3 of the December 31, 2014 Financial Statements.

***1.13 – Changes in Accounting Policies – International Financial Reporting Standards (“IFRS”)***

The September 30, 2015 Financial Statements are prepared using IFRS.

**Future Changes in Accounting Policies**

The Company does not foresee any material changes due to IFRS changes which are not yet effective. See Note 3 (q) of the December 31, 2014 Financial Statements.

***1.14 – Financial Instruments and Other Instruments***

The Company’s financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The Company’s financial instruments are exposed to the following risks:

**Credit Risk**

The Company’s primary exposure to credit risk is the risk of illiquidity of cash and cash equivalents amounting to \$1,339 at September 30, 2015. As the Company’s policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible. Amounts recoverable as at September 30, 2015 include GST receivable of \$343 due from the Canadian government.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company’s only liquidity risk from financial instruments is its need to meet operating accounts payable requirements. The Company has maintained sufficient cash balances to meet these needs at September 30, 2015.

**Foreign Exchange Risk**

The Company has virtually no foreign exchange risk as all its activities are carried out in Canada and all its financial assets and liabilities are denominated in Canadian dollars.

**Price Risk**

The Company is not exposed to price risk. The carrying value of cash and cash equivalents and accounts payable and accrued liabilities approximate their fair values due to the short maturity of those instruments. There are no incomes, expenses, gains or losses associated with the financial instruments.

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The Company has been exposed to interest rate risk on its cash and cash equivalents. The majority of these deposits have been in discounted instruments with pre-determined fixed yields. Interest rate movements will affect the fair value of these instruments so the Company manages maturity dates of these instruments to match cash flow needs, enabling realization at no loss in almost all cases. Unrealized gains and losses are reported in other comprehensive income. At September 30, 2015, the Company maintained all of its cash balance either on deposit in a chequing account or in a GIC permitting early redemption with a major Canadian bank.

**1.15 – Other MD&A Requirements****Share Capital**

The total number of common shares issued and outstanding as at September 30, 2015 was 24,591,652.

## Disclosure of Outstanding Share Data

- i) Authorized: Unlimited common shares without par value
- ii) Common Shares Issued:

	Issue Price	Number of Shares	Proceeds
Founders' Shares	\$0.005	7,500,000	\$ 37,500
Stock Based Compensation	-	-	\$ 112,500
Founders' Shares	\$0.020	625,000	\$ 12,500
Private Placement	\$0.050	1,000,000	\$ 50,000
Property Acquisition	\$0.050	500,000	\$ 25,000
Private Placement	\$0.075	6,396,667	\$ 479,750
Private Placement	\$0.150	1,603,333	\$ 240,500
Private Placement	\$0.150	666,667	\$ 100,000
Private Placement	\$0.200	100,000	\$ 20,000
Shares cancelled on amalgamation	-	(18,391,667)	\$ -
New shares issued on amalgamation	-	18,391,667	\$ -
Issued for Avatar shares	\$0.200	1,999,985	\$ 399,997
Property Acquisition	\$0.200	100,000	\$ 20,000
Property Acquisition	\$0.010	100,000	\$ 1,000
	\$0.030	3,900,000	\$ 117,000
Property Acquisition	\$0.005	100,000	\$ 500
<b>Total</b>		<b>24,591,652</b>	<b>\$1,616,247</b>

As at the date of this report there were no stock options or warrants outstanding.

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**RISK FACTORS AND UNCERTAINTIES**

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties, currently in British Columbia, Canada. Due to the nature of the Company's business and the present stage of exploration of its mineral properties (which are primarily early stage exploration properties with no known resources or reserves), many risk factors will apply. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair the business operations.

**Going Concern and Financing Risks**

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

**Insufficient Financial Resources**

The Company does not presently have sufficient financial resources to meet obligations when they become due, undertake by itself the acquisition, exploration and development of all of its planned acquisition, exploration and development programs. Future property acquisitions and the development of the Company's properties will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing, short or long term borrowings or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties.

**General Economic Conditions**

The recent events in global financial markets have had a profound impact on the global economy. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. These factors could have a material adverse effect on the Company's financial condition and results of operations.

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**RISK FACTORS AND UNCERTAINTIES (continued)**

**Dependence on Others and Key Personnel**

The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its mineral properties; (ii) the ability to produce minerals from any mineral deposits that may be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability and the operating resources to develop and maintain the properties held by the Company. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities.

**Government Regulation**

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to prospecting, development, production, environmental protection, mining taxes, labor standards, 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.

**Competition**

The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

**Fluctuation of Metal Prices**

Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

**RIFT VALLEY RESOURCES CORP.**

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**RISK FACTORS AND UNCERTAINTIES (continued)**

**Share Price Volatility**

There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of our Company. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of particular companies.

**Permits and Licenses**

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays, or a failure to obtain such licenses and permits, or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

**Mineral Interests**

The agreements pursuant to which the Company has the right to acquire its properties provide that the Company must expend certain minimum amounts on the exploration of the properties or contribute its share of ongoing expenditures. The Company does not presently have the financial resources required to complete all expenditure obligations under its property acquisition agreements over their full term. Failure by the Company to make such expenditures in a timely fashion may result in the Company losing its interest in such properties. There can be no assurance that the Company will have, or be able to obtain, the necessary financial resources to be able to maintain all of its property agreements in good standing, or to be able to comply with all of its obligations there under, with the result that the Company could forfeit its interest in one or more of its mineral properties.

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.

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**RISK FACTORS AND UNCERTAINTIES (continued)**

**Title Matters**

Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

**Uncertainty of Resource Estimates/Reserve**

Unless otherwise indicated, mineralization figures presented in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable.

**Limited Experience**

The Company has very limited experience in placing mineral resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the Company will have available to it the necessary expertise when and if it places its resource properties into production.

**Dilution to the Company's Existing Shareholders**

The Company will require additional equity financing to be raised in the future. The Company may issue securities at less than favorable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

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**RISK FACTORS AND UNCERTAINTIES (continued)**

**Speculative Business**

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. There is no known resource, and there are no known reserves, on any of the Company's properties.

**APPROVAL**

The Board of Directors of the Company has approved the disclosure contained in this MD&A.