Waraba Gold Limited

(formerly Zenith Exploration Inc.)

Management's Discussion and Analysis

For the Six Months Ended January 31, 2023

General

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements and related notes thereto of Waraba Gold Limited (formerly Zenith Exploration Inc.) (the "Company") for the periods ended January 31, 2023 and 2022, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All amounts in the condensed consolidated interim financial statements and this discussion and analysis are presented in Canadian dollars, unless otherwise indicated. This MD&A is dated March 28, 2023 and discloses specified information up to that date.

Management is responsible for the preparation and integrity of the condensed consolidated interim financial statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management is also responsible for ensuring that information disclosed externally, including the condensed consolidated interim financial statements and MD&A is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

The Company is a resource exploration company that is acquiring and exploring mineral properties.

On October 11, 2018, the Company began trading on the Canadian Securities Exchange (the "Exchange") the Company currently trades on the Exchange under the symbol "WBGD".

On October 23, 2020, the Company changed its name to Waraba Gold Limited.

During the period ended October 31, 2020, the Company completed a plan of arrangement with its two former subsidiaries, High Point Exploration Inc. ("High Point") and Top Exploration Inc. ("Top Exploration"). Pursuant to the plan of arrangement, the Company transferred the Mantle Property to High Point and the Golden Girl Property to Top Exploration.

On March 12, 2021, the Company was listed on the Frankfurt Stock Exchange (also known as the Deutsche Boerse AG) under the symbol, "ZE0". The Company's common shares continue to be listed on the Canadian Securities Exchange under the symbol, "WBGD".

Exploration Expenditures

Changes in Accounting Policies

During the period ended October 31, 2021, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes that expensing such costs as incurred provides more reliable and relevant financial information. Cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable. Previously, the Company capitalized these amounts. The Company also applied this change in accounting policy to the underlying policies of its associates, resulting in additional changes.

<u>Mali Gold Project</u>

On January 21, 2021, the Company completed the amalgamation of 1278820 B.C Ltd and 1273795 B.C. Ltd (creating 1285074 B.C. Ltd as a wholly owned subsidiary of the Company) by issuing 25,690,000 common shares of the Company with a fair value of $7,578,550. The excess of the consideration paid over the fair value of the net assets was attributed to the exploration expenses.

Pursuant to the amalgamation, the Company acquired a 75% interest in Gonka Gold Mali SARL ("Gonka") a company incorporated in the Republic of Mali.

Gonka entered into an agreement with Fokolore Mining SARL (the "Purchase Agreement") to acquire the research permit to explore for gold in the Maligonga-Est (Cercle de Kéniéba) region of Mali (the "Region"), issued by the Government of Mali on June 10, 2016 under number 2016-2006/MM-SG (as renewed pursuant to ordinance number 2019-3557/MMP-SG on October 11, 2019, (the "Mining Permit"). The transfer of the Mining Permit to Gonka was approved pursuant to ordinance number 2021-3047/MMEE-SG on August 17, 2021 and its term was further renewed pursuant to ordinance number N°2022-0028/MMEE-SG on January 24, 2022.

Under the terms of the Purchase Agreement, subject to conditions including receipt of ministerial consent to the transfer of the Mining Permit to Gonka the Company was required to pay a total consideration of US$2,500,000 as follows:

- Payment of US$250,000 – paid on January 19, 2021.
- Additional US$1,000,000 – paid on April 9, 2021.
- Remaining US$1,250,000 – 7,750,000 shares were issued on May 7, 2021.

In addition, Gonka will be required to pay an additional US$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,000,000 ounces of gold; and an additional US$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,500,000 ounces of gold.

The Company will be expected to fund 75% of all future exploration in relation to the Mining Permit. The remaining 25% of future exploration expense will be funded by the non-controlling shareholder in Gonka.

Subsequent to the quarter end, on November 30, 2022, the Company filed a technical report entitled "Maligogna East Gold Project, Kéniéba, Mali West, West Africa" dated November 18, 2022 for it's Maligogna East Gold Project (the "Technical Report"). The Technical Report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and authored by Olufemi Ajayi (MAIG), consulting geologist for Birima Gold Resources Consulting, a qualified person as defined in NI 43-101.

The Technical Report is available under the Company's profile on SEDAR (www.sedar.com). A copy of the Technical Report is also located on the Company's website.

Scotch Creek Property

On November 14, 2017, the Company entered into a definitive agreement to purchase certain mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In connection with the Scotch Creek Property agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Brent Hahn and Barry Hartley, former directors and officers of the Company, are vendors of the property. In consideration for an 100% undivided interest in the property, the Company issued 15,000,000 common shares for total consideration of $300,000. The property was disposed of by the Company for no consideration on 7 December 2021.

The following is a description of the Company's exploration expenditures for the six months ended January 31, 2023:

		Mali Gold project
Exploration expenses		
Cost incurred during the period:		
Camp and operations	$	(6,309)
Exploration & Evaluation expenses capitalized		(502,232)
Geophysical		27,144
Management fees		26,358
Salaries & wages		104,623
Travel		75,402
Total exploration expenses	**$**	**(275,014)**

			Three months ended January 31,				**Six months ended January 31,**		
	Note		**2023**		**2022**		**2023**		**2022**
Expenses									
Depreciation	3	$	25,799	$	3,531	$	43,635	$	8,412
Exploration expense	8		(377,385)		347,241		(275,014)		1,187,309
Investor relations			48,141		48,398		82,781		84,885
Office and general			11,454		19,693		21,415		53,263
Professional fees			115,572		102,771		225,525		235,604
Project generation			5,157		46,889		5,157		82,561
Regulatory fees			3,000		5,547		6,000		15,140
Transfer agent			-		300		719		1,650
Profit (Loss) before other items		**$**	**168,262**	**$**	**(574,370)**	**$**	**(110,218)**	**$**	**(1,669,094)**
Other items									
Foreign exchange			220,012		(83,166)		313,771		(29,856)
Change in fair value of loan			-		-		(10,986)		-
Profit (Loss) and comprehensive profit (loss) for the period		**$**	**388,274**	**$**	**(657,536)**	**$**	**192,567**	**$**	**(1,698,950)**

Results of Operations

Three Months Ended January 31, 2023 and 2022

Net Profit (Loss) and Expenses

The net profit for the three months ended January 31, 2023 was $388,274 compared to a net loss of $657,536 for the three months ended January 31, 2022, representing an increase of $1,045,810.

Total expenses for the three months ended January 31, 2023 was negative $168,262 compared to total expenses of $574,370 for the three months ended January 31, 2022, representing a decrease of $742,632.

Major variances in expenses are as follows:

- For the three months ended January 31, 2023, exploration expenses were negative $377,385, compared to $347,241 for the three months ended January 31, 2022; the difference was mainly due to the capitalization of exploration expense to exploration and evaluation asset in Gonka during the three months January 31, 2023.

- For the three months ended January 31, 2023, investor relations were consistent at $48,141 compared to $48,398 for the three months ended January 31, 2022.

- For the three months ended January 31, 2023, office and general expenses were $11,454 compared to $19,693 for the three months ended January 31, 2022. The office and general expenses primarily include rent incurred for the local office in Lisbon and website maintenance cost of the Company.

- For the three months ended January 31, 2023, professional fees were consistent at $115,572 compared to $102,771 for the three months ended January 31, 2022.

- For the three months ended January 31, 2023, project generation expense was $5,157 compared to $46,889 for the three months ended January 31, 2022. The decrease was attributable to less expenses incurred in relation to the assessment of potential projects for the Company.

Six Months Ended January 31, 2023 and 2022

Net Profit (Loss) and Expenses

The net profit for the six months ended January 31, 2023 was $192,567 compared to a net loss of $1,698,950 for the six months ended January 31, 2022, representing an increase of $1,891,517.

Total expenses for the six months ended January 31, 2023 was $110,218 compared to total expenses of $1,669,094 for the six months ended January 31, 2022, representing a decrease of $1,558,876.

Major variances in expenses are as follows:

- For the six months ended January 31, 2023, exploration expenses were negative $275,014, compared to $1,187,309 for the six months ended January 31, 2022; the difference was mainly due to the capitalization of exploration expense to exploration and evaluation asset in Gonka.

- For the six months ended January 31, 2023, investor relations were consistent at $82,781 compared to $84,885 for the six months ended January 31, 2022.

- For the six months ended January 31, 2023, office and general expenses were $21,415 compared to $53,263 for the six months ended January 31, 2022. The decrease was due to decrease in the operations of the company. The office and general expenses primarily include rent incurred for the local office in Lisbon and website maintenance cost of the Company.

- For the six months ended January 31, 2023, professional fees were consistent at $225,525 compared to $235,604 for the six months ended January 31, 2022.

- For the six months ended January 31, 2023, project generation expense was $5,157 compared to $82,561 for the six months ended January 31, 2022. The decrease was attributable to less expenses incurred in relation to the assessment of potential projects for the Company.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's condensed consolidated interim financial statements, all dollar amounts are in Canadian dollars:

Quarter Ended	Loss (Profit) for the period	Loss (Gain) per Share (Basic & Diluted)	Total Assets	Interest Income
January 31, 2023	($388,274)	$(0.00)	$816,109	$Nil
October 31, 2022	$195,707	$0.00	$523,033	$Nil
July 31, 2022	$576,785	$0.01	$896,179	$Nil
April 30, 2022	$258,738	$0.00	$1,397,027	$Nil
January 31, 2022	$657,536	$0.01	$1,884,050	$Nil
October 31, 2021	$1,041,414	$0.01	$2,628,995	$Nil
July 31, 2021	$1,801,774	$0.12	$3,304,814	$Nil
April 30, 2021	$879,969	$0.01	$4,692,242	$372
January 31, 2021	$10,948,011	$0.24	$831,937	$372

(1) Profit/Loss for the period have been restated to conform with the change in policy on exploration expenditures.

Financial Condition, Liquidity and Capital Resources

At January 31, 2023, the Company had negative working capital of $90,720 and at July 31, 2022 the Company had working capital of $15,229. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

Related Party Transactions

Payments to key management and directors during the periods ended January 31, 2023 and 2022 were as follows:

		January 31, 2023		January 31, 2022
Consulting fees paid to directors	$	58,419	$	65,123
Professional fees paid to officers		37,355		71,056
Total compensation	**$**	**95,774**	**$**	**136,179**

As at January 31, 2023, $Nil (January 31, 2023 - $73,050), was due to officers of the Company. Amounts owing are unsecured, non-interest bearing and due on demand.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing condensed consolidated interim financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Critical Accounting Estimates

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

i) Going concern
Management has determined that the Company will be able to continue as a going concern for the next period.

ii) Economic recoverability and probability of future benefits of exploration and evaluation costs
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Financial Instruments and Capital Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is not exposed to credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency Risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency exchange risk as its mining operations are significantly denominated in currencies other than the functional currency of the Company.

Since the Company's reporting currency is Canadian dollars and the Company and its subsidiaries have significant operations in Mali and in parts of Europe, the Company is exposed to foreign currency fluctuations on its reported amounts of assets and liabilities.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Fair Value

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and loans payable. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments.

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

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

Risks and Uncertainties

The Company is subject to the normal risks entailed in mineral exploration and development. These can involve a number of known and unknown risks, uncertainties, and other factors that may cause the actual results, performance, or achievements to be materially different from any expected future results, performance, or achievements. The discovery, development and acquisition of mineral properties are in many instances unpredictable events. Future commodity prices, the success of exploration programs, and other property transactions can have a significant impact on capital requirements. In addition, risk factors that could affect the Company's future results, include, but are not limited to, foreign exchange, competition, risk inherent in mineral exploration and development, and policies including mineral tenure, trade laws and policies, receipt of permits and approvals from government authorities, and other operating and development risks.

Exploration and Mining Risks

The business of exploration for and mining minerals involves a high degree of risk. Fires, power outages, labour disruptions, flooding, cave-ins, landslides, and the inability to obtain suitable adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs.

The Company has relied on, and may continue to rely upon, consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

Government Regulation

The Company operates in an industry which is governed by numerous regulations, including but not limited to, environmental regulations as well as occupational health and safety regulations. It is possible that regulations or tenure requirements could be changed by the respective governments resulting in additional costs or barriers to development of the properties. This would adversely affect the value of properties and the Company's ability to hold onto them without incurring significant additional costs. It is also possible that the Company could be in violation of, or non-compliant with, regulations it is not aware of.

Financing

While the Company has been successful in the past, there is no assurance that funding will be available under the terms that are satisfactory to management. Funds available for operations may vary significantly from management's estimates due to changes that are outside the control of management. Differences between actual exploration costs and management's estimates will occur, and these differences may be material. There is no assurance that future financial market conditions will result in sufficient funds being available to the Company to continue in the normal course of business.

Uninsured or Uninsurable Risks

The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's evaluation of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and operating activities.

Commodity Price

The price of metals can fluctuate widely and can be affected by many external factors beyond the control of the Company. Some of these factors include, demand, inflation, fluctuations in various currencies, interest rates, forward gold sales, political or economic events in producing regions, and fluctuations in the cost of production.

Competition

Competition exists for mineral deposits where Company conducts its operations. As a result, some of which may be with large established mining companies with substantially greater financial and technical resources, The Company may be unable to acquire additional attractive mining claims or financing on terms it considers acceptable. The Company also competes with other companies in the recruitment and retention of qualified employees.

Dependence on Key Management and Employees

The Company's development depends on the efforts of key members of management and employees. Loss of any of these people could have a material adverse effect on the Company. The Company does not have key man insurance with respect to any of its key employees.

Conflicts

Certain directors of the Company also serve as directors of other companies involved in mineral resource exploration and development and, to the extent that such other companies may participate in areas in which the Company may be active, the possibility exists for such directors to be in a position of conflict. In accordance with the corporate laws, the directors are required to act honestly, in good faith, and in the best interests of the Company. In addition, such directors will declare and abstain from voting on any matter in which such directors may have a conflict of interest. At present, there are no such conflicts and the likelihood of any is unlikely given the companies and areas of interest that could potentially be involved.

COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods. To date, the Company's exploration program on its mineral properties has been executed as planned and the Company's exploration activities continue as planned.

Environmental Liability
All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees. Although the Company is committed to compliance with all environmental regulations currently applicable, environmental hazards may exist on the Company's mineral properties, which are not known to the Company at present, that have been caused by previous or existing owners or operators.
Also, environmental regulations may change in the future which could adversely affect the Company's activities including the potential to curtail or cease exploration programs or to preclude entirely the economic development of a mineral property. The extent of any future changes to environmental regulations cannot be predicted or quantified, but it should be assumed that such regulations will become more stringent in the future. Generally, new regulations will result in increased compliance costs, including costs for obtaining permits, delays or fines resulting from loss of permits or failure to comply with the new regulations.

Dilution
The Company has limited financial resources and has financed its operations primarily through the sale of its Common Shares. The Company will need to continue its reliance on the sale of its securities for future financing, resulting in potential dilution to the Company's existing shareholders.

UKRAINE WAR

Our business, financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action.

In late February 2022, Russia launched a large-scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, NATO and the West, including Canada. In response to the military action by Russia, various countries, including Canada, the United States, the United Kingdom and European Union issued broad-ranging economic sanctions against Russia. Such sanctions included, among other things, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs; a commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, or SWIFT, the electronic banking network that connects banks globally; a ban of oil imports from Russia to the United States; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. Additional sanctions may be imposed in the future. Such sanctions (and any future sanctions) and other actions against Russia may adversely impact, among other things, the Russian economy and various sectors of the economy, including but not limited to, financials, energy, metals and mining, engineering and defense and defense-related materials sectors; result in a decline in the value and liquidity of Russian securities; result in boycotts, tariffs, and purchasing and financing restrictions on Russia's government, companies and certain individuals; weaken the value of the ruble; downgrade the country's credit rating; freeze Russian securities and/or funds invested in prohibited assets and impair the ability to trade in Russian securities and/or other assets; and have other adverse consequences on the Russian government, economy, companies and region. Further, several large corporations and U.S. states have announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses.

The ramifications of the hostilities and sanctions may not be limited to Russia, Ukraine and Russian and Ukrainian companies and may spill over to and negatively impact other regional and global economic markets (including Europe, Canada and the United States), companies in other countries (particularly those that have done business with Russia and Ukraine) and on various sectors, industries and markets for securities and commodities globally, such as oil and natural gas. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, industries, and companies. In addition, Russia may take retaliatory actions and other countermeasures, including cyberattacks and espionage against other countries and companies around the world, which may negatively impact such countries and companies.

The extent and duration of the military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions and volatility, and the result of any diplomatic negotiations cannot be predicted.

While we expect any direct impacts to our business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect our business and may make it more difficult for us to raise equity or debt financing.

In addition, the impact of other current macro-economic factors on our business, which may be exacerbated by the war in Ukraine – including inflation, supply chain constraints and geopolitical events – is uncertain.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as at the date of this report.

Additional Share Information

As at January 31, 2023, and as at the date of this report, the Company had 112,670,139 common shares issued and outstanding.

As at January 31, 2023, and as at the date of this report, the Company had no stock options outstanding.

As at January 31, 2023, and as at the date of this report ,the Company had 38,052,500 warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this MD&A and in certain documents incorporated by reference into this MD&A, constitute forward-looking statements, within the meaning of applicable securities laws ("forward-looking statements"). Such statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "potential", "intend", "could", "should", "believe", "future", "possible", "can" and similar expressions.
Forward-looking information and statements included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- the Company's future exploration and drilling activities, anticipated metal production and estimates, potential mineralization and resources, projected capital expenditures, and events or developments that the Company expects;
- the maintenance of the Company's properties;
- the Company's expectations that it will continue to fund its mineral operation activities primarily through the issuance of securities until it develops a positive cash flow from its mining operations;
- that material changes in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on its properties, as well as its continued ability to raise capital;
- that the Company has sufficient funding to meet its administrative overhead expenses for the next twelve months; and
- that management believes that it will be able to raise capital in the future.

Forward-looking information and statements included throughout this MD&A are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect, including, but not limited to, assumptions about:

- market prices, exploitation and exploration results, continued availability of capital and financing, general economic, and market or business conditions;
- the Company maintaining its properties;
- the Company's continuing to fund its mineral operation activities primarily through the issuance of securities until it develops a positive cash flow from its mining operations;
- that material changes in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on its properties, as well as its continued ability to raise capital;
- that the Company has sufficient funds to meet its administrative overhead expenses for the next twelve months; and
- that management will raise capital in the future.

Although the Company believes that the expectations reflected in those forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct. As such, forward-looking statements included in this MD&A and in the documents incorporated by reference into this MD&A should not be unduly relied upon.

Further, readers are cautioned that forward-looking statements involve known and unknown risks, uncertainties and other factor (many of which are beyond the Company's ability to predict or control) that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In particular, the Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A, which should not be considered to be exhaustive:

- decrease in the prices of metals, ores and/or mineralization that are being explored for by the Company,
- unanticipated increases in the costs and expenditures of future exploration drilling and activities, metal production, and projected capital expenditures;
- the Company's inability to maintain its properties;
- the Company's inability to continue to fund its mineral operation activities through the issuance securities until it develops a positive cash flow from its mining operations;
- material adverse changes in the Company's liquidity or ability to raise capital;
- the Company will not have sufficient funds to meet its administrative overhead expenses for the next twelve months; and
- that management will be unable to raise capital in the future.

Forward-looking statements contained in this MD&A and the documents incorporated by reference into this MD&A speak only as of the date of this MD&A, or as of the date specified in the documents incorporated by reference into this MD&A, as the case may be. The Company does not intend, and does not assume any obligation, to update or revise these forward-looking statements, except as required pursuant to applicable securities laws.

The forward-looking statements contained in this MD&A and the documents incorporated by reference herein are expressly qualified by this cautionary statement.

Additional information related to the Company is available for view on SEDAR at www.sedar.com