NEXCO RESOURCES INC.
Management Discussion and Analysis
For the nine month period ended May 31, 2019

The following management discussion and analysis ("MD&A"), prepared July 29, 2019 should be read in conjunction with Nexco Resources Inc.'s (the "Company") unaudited condensed interim financial statements and the accompanying notes for the nine month period ended May 31, 2019 and the audited financial statements and accompanying notes for the year ended August 31, 2018. The unaudited condensed interim financial statements for the nine month period ended May 31, 2019 have been prepared in accordance with IAS 34 and International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

This MD&A may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DESCRIPTION OF BUSINESS

Nexco Resources Inc. was incorporated on December 14, 2012 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 750-1095 West Pender Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

EVALUATION AND EXPLORATION ASSET

Berger Property

	Acquisition costs $	**Exploration costs** $	**Total** $
Balance, August 31, 2017	30,250	162,208	192,458
Mining exploration tax credit	–	(17,863)	(17,863)
Balance August 31, 2018 and May 31, 2019	30,250	144,345	174,595

Pursuant to an initial and amended option agreements (the "Agreement") dated August 21, 2014 and July 31, 2015, with the Optionor, the Company was granted an option to acquire a 100% undivided interest in the Berger Property (the "Property") which consists of 2 mining claims located in the Kamloops Mining District of British Columbia.

In accordance with the Agreement, the Company has acquired a 100% undivided interest in the Property by issuing a total of 100,000 common shares and making cash payment of $12,000.

The Optionor will retain a 2% Net Smelter Returns ("NSR") royalty on the Property. The Company has the right to purchase the NSR at a purchase price of $1,000,000 per percentage point during the 5 year period commencing from the date upon which the Property is put into commercial production.

Selected Financial Data - Summary of Quarterly Results

The following selected financial information is derived from the unaudited interim financial statements prepared in accordance with IFRS.

	May 31, 2019 $	Feb 28, 2019 $	Nov 30, 2018 $	Aug 31, 2018 $
Revenues	-	-	-	-
General and administrative (expenses)	(24,911)	(55,413)	(39,764)	(79,618)
(Loss) and comprehensive (loss)	(24,911)	(55,413)	(39,764)	(79,618)
Basic and diluted (loss) per share	(0.01)	(0.01)	(0.01)	(0.01)
Working capital (deficiency)	246,711	(85,434)	(30,021)	9,743
Total assets	438,205	194,173	210,957	236,872
Non-current liabilities	-	-	-	-

	May 31, 2018 $	Feb 28, 2018 $	Nov 30, 2017 $	Aug 31, 2017 $
Revenues	-	-	-	-
General and administrative (expenses)	(28,277)	(37,284)	(52,675)	(11,826)
(Loss) and comprehensive (loss)	(28,277)	(37,284)	(52,675)	(11,826)
Basic and diluted (loss) per share	(0.00)	(0.00)	(0.01)	(0.00)
Working capital (deficiency)	89,361	99,775	137,059	189,734
Total assets	285,534	319,308	338,128	387,705
Non-current liabilities	-	-	-	-

Three months ended May 31, 2019 compared to three months ended May 31, 2018

During the three months ended May 31, 2019 the Company reported a net and comprehensive loss of $24,911 (2018 - $28,277). The Company's net and comprehensive loss during the three months ended May 31, 2019 included $18,000 (2018 - $15,000) for consulting fees, $1,626 (2018 – $1,371) incurred for professional fees, $1,875 (2018 - $8,312) incurred for rent, $3,347 (2018 - $2,671) for transfer agent and filing fees and $63 (2018 - $466) for office and general.

Nine months ended May 31, 2019 compared to nine months ended May 31, 2018

During the nine months ended May 31, 2019 the Company reported a net and comprehensive loss of $120,088 (2018 - $118,236). The Company's net and comprehensive loss during the nine months ended May 31, 2019 included $71,500 (2018 - $45,000) for consulting fees, $25,466 (2018 – $37,353) incurred for professional fees, $9,375 (2018 - $20,578) incurred for rent, $13,597 (2018 - $14,135) for transfer agent and filing fees and $150 (2018 - $713) for office and general.

FINANCING

During the nine months ended May 31, 2019, the Company completed a non-brokered private placement (the "Private Placement") of units. The Company issued an aggregate of 8,000,000 units (each, a "Unit") in the capital of the Company at a purchase price of $0.05 per Unit for gross proceeds of $400,000. Each Unit consists of one common share (a "Common Share") of the Company and one Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase an additional Common Share (a "Warrant Share") of the Company at an exercise price of $0.10 per Warrant Share and expire three years from the date of issuance.

In connection with the Private Placement, the Company paid a certain arm's length finder (the "Finder") a finder's fee of $26,950 in cash, equal to 7% of the gross proceeds raised under the Private Placement from arms' length purchasers that were introduced to the Company by the Finder. Additionally, the Company issued 539,000 non-transferrable Common Share purchase warrants ("Finder's Warrants") exercisable to acquire 539,000 Common Shares (each, a "Finder's Share"), equal to 7% of the number of Units issued in the Private Placement to arms' length purchasers that were introduced to the Company by the Finder. Each Finder's Warrant has an exercise price of $0.10 per Finder's Share and expires 3 years from the date of issuance.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash at May 31, 2019 was $257,674 compared to $58,092 at August 31, 2018.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	May 31, 2019	**August 31, 2018**
	$	$
Accounts payable and accrued liabilities	-	3,150

The Company had the following related party transactions:

	May 31, 2019	**August 31, 2018**
	$	$
Professional fees	-	33,300
Rent	-	31,632
Total	-	64,932

Professional fees and rent for the year ended August 31, 2018 were provided by companies owned or controlled by former directors of the Company. Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer.

COMMITMENTS

The Company is committed to certain cash payments, share issuances and exploration expenditures in connection with the acquisition of its mineral property claims.

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NEW ACCOUNTING STANDARDS APPLIED

IFRS 9 – *Financial Instruments*

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.

In November 2013 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in August 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test. The Company adopted the standard as of September 1, 2018. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

a) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL.

For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at September 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets/liabilities	**Original classification IAS 39**	**New classification IFRS 9**
Cash	Amortized cost	Amortized cost
Amounts receivable	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Loan	Amortized cost	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2019 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on September 1, 2018.

b) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the interim statements of operations and comprehensive income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the interim statements of operations and comprehensive income (loss) in the period in which they arise.

c) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the interim statements of operations and comprehensive income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

d) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the interim statements of operations and comprehensive income (loss).

IFRS 15 - *Revenue from Contracts with Customers*

The Company adopted all of the requirements of IFRS 15 Revenue from Contracts with Customers ("IFRS 15") as of September 1, 2018. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract, regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. The change did not impact the revenue recognized or the related assets and liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 15:

Revenue is recognized when the earnings process is complete, as evidenced by an agreement between the customer and the Company, when delivery has occurred, when the fee is fixed or determinable and when collection is reasonably assured. Amounts received from customers in advance of revenue recognition are deferred as deferred revenue liabilities. The Company presents revenues net of taxes collected from customers at the time of sale to be remitted to governmental authorities, including sales and use taxes. No element of financing is deemed present as the sales are made with credit terms standard for the market.

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2019 annual reporting period, which also includes the date of initial application. The adoption of IFRS 15 resulted in no impact to the opening deficit nor to the opening balance of comprehensive income on September 1, 2018.

IFRS 2 - *Share-based Payment*

In November 2016, the IASB has revised IFRS 2 to incorporate amendments issued by the IASB in June 2016.

The amendment provide guidance on the accounting for i) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; ii) share-based payment transactions with a net settlement feature for withholding tax obligations and iii) a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018. The Company adopted the standard as of September 1, 2018. The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2019 annual reporting period, which also includes the date of initial application. The adoption of IFRS 2 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on September 1, 2018.

As at the date of these financial statements, the following standards have not been applied in these financial statements:

IFRS 16 – *Leases*

In June 2016, the IASB issued IFRS 16 – Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019. The Company is in the process of assessing the impact of IFRS 16 on its financial statements and expects increase disclosure upon adoption of IFRS 16.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;

ii. the measurement of deferred income tax assets and liabilities; and

iii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company's ability to continue as a going concern.

Functional Currency

Management is required to assess the functional currency of the Company. The Company has concluded that the Canadian dollar is the functional currency of the Company.

Valuation of share-based payments

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, expected life and forfeiture rate.

Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Corporate Governance

The Company's Board and its committees substantially follow the recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The current Board and Audit Committee is comprised of 3 individuals.

OUSTANDING SHARE DATA

Issued

The company has 18,428,000 common shares issued and outstanding as at May 31, 2019 and at the date of this report and 10,428,000 common shares were issued and outstanding as at August 31, 2018.

Share Purchase Options

The Company has 400,000 stock options outstanding at May 31, 2019, August 31, 2018 and the date of this report. The stock options exercise price is $0.15 and the stock options expire on May 4, 2022.

Warrants

The Company had 8,539,000 share purchase warrants outstanding at May 31, 2019 and at the date of this report. The warrants exercise price is $0.10 and the warrants expire on April 16, 2022.

Escrow Shares

The Company had 720,000 shares held in escrow as at May 31, 2019 and as at the date of this report.

Risk Factors

Exploration and Mining Risks

The Company is engaged in mineral exploration and development activities. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of our operations will be in part directly related to the cost and success of our exploration programs, which may be affected by a number of factors beyond our control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labor are involved in mineral exploration, development and operation. We may become subject to liability for pollution, cave-ins or hazards against which we cannot insure or against which we may elect not to insure. The payment of such liabilities may have a material, adverse effect on our financial position.

The Company relies 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 mineralized 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 mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection.

Financing Risks

The Company is limited in both financial resources, and sources of operating cash flow and has no assurance that additional funding will be available to us for further exploration and development of our projects or to fulfill our obligations under any applicable agreements. There can be no assurance that we 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 our projects with the possible loss of such properties.

Regulatory Requirements

Even if our mineral properties are proven to host economic reserves of mineral resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits. The Company may acquire other properties in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect our business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company has currently decided not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

No Assurance of Titles

It is possible that any of our properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at our projects will be granted.

Competition

The mineral industry is intensely competitive in all its phases. We compete with many companies possessing greater financial resources and technical facilities than the Company for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Company may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, 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 or losing our investment capital.

Environmental Regulations

Our operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our operations.

Stage of Development

The Company is in the business of exploring for, with the ultimate goal of producing, mineral resources from our mineral exploration properties. None of our properties have commenced commercial production and we have no history or earnings or cash flow from our operations. As a result of the foregoing, there can be no assurance that we will be able to develop any of our properties profitably or that our activities will generate positive cash flow. A prospective investor in the Company must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of our management in all aspects of the development and implementation of our business activities.

Markets for Securities

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 the 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.

Reliance on Key Individuals

Our success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Geopolitical Risks

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labor relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements or forward-looking information (collectively "forward-looking statements") within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements.

Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements in this MD&A may include, but are not limited to, statements with respect to: (i) the estimation of inferred and indicated mineral resources; (ii) the registration of the concession agreements; (iii) the market and future price of minerals; (iv) the timing, cost and success of future exploration activities, including, but not limited to, the Company's proposed work programs; (v) currency fluctuations; (vi) requirements for additional capital; and (vii) the Company's ability to continue as a going concern.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Assumptions have been made regarding, among other things, the estimation of mineral resources, the realization of resource estimates, metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and sustaining capital requirements, the availability of necessary financing and materials to continue to explore and develop any of the Company's mineral concessions and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed.

The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in ore reserves, grade or recovery rates resulting from current exploration and development activities, risks relating to changes in the price of gold, silver and copper and the worldwide demand for and supply of such metals, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Company's projects may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, and environmental risks.

Readers are cautioned that the foregoing lists of factors are not exhaustive.

The forward-looking statements in this MD&A are based on the reasonable beliefs, expectations and opinions of management on the date of this MD&A. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements contained in this MD&A.