IMC INTERNATIONAL MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the nine months ended September 30, 2019

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the consolidated financial statements and notes thereto for the nine months ended September 30, 2019 of IMC International Mining Corp. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

DATE

This MD&A is prepared as of November 21, 2019.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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 including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. 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 the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, 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) a decreased demand or price of precious and base metals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in the state of Arizona regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) 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, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

DESCRIPTION OF BUSINESS

The Company was incorporated under the laws of the province of British Columbia on August 30, 2018 under the name IMC International Mining Corp. for the purpose of a plan of arrangement with Chemesis International Inc. The Company is currently a reporting issuer and is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties in British Columbia and Arizona, USA. The Company has recently focused on the acquisition of interests in the State of Arizona, USA, through its wholly-owned subsidiary, Canadian Mining of Arizona Inc. ("CMAI"). The Arizona subsidiary was incorporated April 17, 2007 under the name Canadian Mining of Arizona Inc. The Company acquired the wholly-owned subsidiary and all of its issued and outstanding shares along with all of its assets as part of the plan of arrangement with CMAI's then parent company Chemesis International Inc. ("Chemesis"), a publicly traded company.

The Company and Chemesis entered into a plan of arrangement (the "Arrangement") completed February 1, 2019. Under the terms of the Arrangement, the Company issued 3,246,621 common shares to Chemesis in exchange for

Chemesis' 100% interest in Canadian Mining of Arizona Inc. Further, the Company granted 305,000 options at a weighted average exercise price of $1.02 per option and 229,014 warrants at an exercise price of $1.00 to complete the transaction.

The Company currently has one exploration property, the Bullard Pass Property located in Arizona, USA, the details of which are set out below. The Company has not yet determined whether its property interests contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration expenditures are 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 necessary financing to complete the development of the resource property and upon future profitable production or proceeds from the disposition thereof.

The Company notes that it has signed a letter of intent with Orosur Mining Inc. with a view to potentially purchasing its mining, exploration, and prospecting permits in the Isla Cristina Rivera ("ICR") Greenstone Belt of Uruguay. The transaction remains subject to completion of due diligence and receipt of all necessary corporate and regulatory approvals. Orosur Mining Inc. controls, an area of 58,798 hectares (~588 km^2) of the ICR greenstone belt including the past producing San Gregorio mine of the Minas de Corrales mining complex. The San Gregorio area holds nine open pits and one underground mine and has produced approximately 1.4Moz of gold since the San Gregorio plant was commissioned in 1997.

EXPLORATION ACTIVITY

BULLARD PASS PROPERTY – ARIZONA, USA

In 2007 the Canadian Mining of Arizona Inc. staked the DB 1 to 176 mineral claims totalling 3,420 acres and acquired 476.52 acres of Arizona State land under mineral exploration permit #08-111861, for total land holdings of 3,896.52 acres, located in the vicinity of the Harcuvar and Harquahala Mountains, Yavapai County, Arizona (the "Bullard Pass Property"). The Company subsequently reduced its ownership interest in the Bullard Pass Property to 22 claims. The Company has recently staked additional claims to increase the Property to 171 claims. The Company is evaluating the property to determine if further exploration will be performed.

OVERALL PERFORMANCE

On September 26, 2019, the Company completed its listing application and was approved to list its common shares on the CSE under the trading symbol, IMCX.

The net liabilities of the Company increased from $18,899 as of at December 31, 2018, to $340,022 as of September 30, 2019 an increase of $358,921. The most significant assets at March 31, 2019 include: Cash of $200,418 (December 31, 2018 - $1), GST receivable of $6,115 (December 31, 2018 - $nil) and exploration and evaluation assets of $255,973 (December 31, 2018 - $nil). Cash increased by $200,417 pursuant to financing activities which raised $416,500 in cash.

The Company spent $142,654 on exploration and evaluation activities. The Company's liabilities at September 30, 2019 consisted of accounts payable and accrued liabilities of $122,484 (December 31, 2018 - $18,900).

DISCUSSION OF OPERATIONS

The Company has started preliminary exploration and evaluation activities in addition to fees related to the spin out transaction and professional services provided to date. The Company has closed equity financings totalling approximately $942,500 to fund operations over its Bullard Pass property until such time as its properties are put into commercial production on a profitable basis. Since the plan of arrangement, the Company holds the Bullard Pass exploration property. Please see "Description of Business" for management's plans for the Company.

As an exploration stage company, the Company has not generated revenues to date from its property and anticipates that it will continue to require equity financing to fund operations until such time as its properties are put into commercial production on a profitable basis. Please see "Description of Business" for management's plans for the Company. The following highlights the key operating expenditures during the current three months ended September 30, 2019.

For the nine months ended September 30, 2019

During the nine months ended September 30, 2019, the Company incurred a net loss of $461,148. The net loss for the nine months ended September 30, 2019 consists primarily of the following:

- Consulting fees of $27,450 consists of CEO services used in operational and corporate activities and reflects the needs of the Company as it strengthens exploration and evaluation activities and consists of the fees incurred to complete financing and listing transaction;

- Filing fees of $24,790 primarily consists of the fees incurred to complete its listing transaction;

- Professional fees of $112,284 consists of legal fees incurred to complete its listing transaction;

- Share-based payment expense of $290,250 consists of the fair value of 1,150,000 options granted to officers, directors and consultants as measured by the Black-Scholes option pricing model.

During the nine months ended September 30, 2019, the Company began to conduct field exploration programs. The exploration and evaluation activities were comprised of a 14-day field program that involved core clean-up, classification and logging, and an MMI soil sample program. The exploration costs, which were capitalized, also consisted of claim maintenance and claim staking inherited pursuant to the spin-out transaction with Chemesis International Inc. The Company holds one exploration stage mineral property consisting of the Bullard Pass Property as described under the heading "Description of Business". The Company owns 100% of the Bullard Pass claims and has no contractual obligations to perform work on this property.

For the three months ended September 30, 2019

During the three months ended September 30, 2019, the Company incurred a net loss of $366,458. The net loss for the three months ended September 30, 2019 consists primarily of the following:

- Consulting of $9,000 consists of CEO services used in operational and corporate activities and reflects the needs of the Company as it strengthens exploration and evaluation activities;

- Professional fees of $45,894 consist of the fees incurred to complete its listing transaction;

- Filing fees of $17,007 primarily consists of the fees incurred to complete its listing transaction;

- Share-based payment expense of $290,250 consists of the fair value of 1,150,000 options granted to officers, directors and consultants as measured by the Black-Scholes option pricing model.

The Company notes that in the comparative periods, the Company had not yet completed the Spin-out transaction and as such, had no activities.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Quarter Ended September 30, 2019 $	Quarter Ended June 30, 2019 $	Quarter Ended March 31, 2019 $	Quarter Ended December 31, 2018 $	Period from incorporation on August 30, 2018 to September 30, 2018 $
Revenue	Nil	Nil	Nil	Nil	Nil
Net loss	(366,458)	(94,690)	(28,694)	(18,900)	Nil
Loss per share, basic and diluted	(0.03)	(0.01)	(0.02)	(18,900)	Nil

The activities of the Company consist of work performed to complete the plan of arrangement. This was completed February 1, 2019. The Company completed a private placement to raise $416,500 in the first quarter of fiscal 2019, with funds being used to execute exploration activities over its Bullard Pass property.

On a quarter-by-quarter basis the loss can fluctuate significantly due to a number of factors including exploration activities during the period, impairment of assets, and the timing of stock option grants, changes in nature of the business.

An analysis of the quarterly results over the quarters from inception shows a significant change in financial performance primarily due to the completion of the spin-out transaction and activities from a start-up. Transactions incurred to date, consist primarily of legal, listing expense and consulting fees.

LIQUIDITY

The Company does not generate cash from operations. The Company finances exploration activities by raising capital from private placements and equity markets. The Company may encounter difficulty sourcing future financing in light of the recent economic downturn.

The Company had cash of $200,418 and working capital of $84,049 at September 30, 2019.

During the nine months ended September 30, 2019:

- On February 1, 2019, the Company issued 3,246,621 common shares pursuant to an arrangement to spin-out exploration and evaluation assets. Further, the Company issued 305,000 options at a weighted average exercise price of $1.02 per option and 229,014 warrants at an exercise price of $1.00 to complete the transaction.

- As of September 30, 2019, the Company has access to a loan facility for proceeds up to $400,000 to be used to complete exploration and evaluation activities. To date, no amounts have been borrowed

- During the nine months ended September 30, 2019, the Company issued 8,300,000 units at a price of $0.05 per unit for total proceeds of $415,000 and 33,000 shares at a price of $0.05 per share for total net proceeds of $1,500. Each unit consists of one common share and one share purchase warrant with each warrant entitling the holder to acquire one additional common share of the Company at an exercise price of $0.10 for a period of two years from the date of issuance..

- Subsequently on October 9, 2019, the Company completed a private placement issuing 2,023,075 units at a price of $0.26 per unit for total proceeds of $526,000. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable for one common share a price of $0.32 for a period two years from the date of issuance.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements. Due to the overall poor market conditions for junior mineral exploration companies, the Company may find it increasingly difficult to raise the funds required to continue the Company's operations. Share prices have undergone significant decreases and any issuance of the Company's equity securities in the near future may result in substantial dilution to the Company's existing shareholders.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no capital commitments in connection with its exploration property. The Company holds 100% interests in the Bullard Pass Property through its wholly-owned subsidiary and is not required to make any expenditure commitments on this property and has no contractual obligations on this property.

The Company will add and/or drop claims based on geological merit and as financial resources allow.

Operating Activities

The Company used cash of $73,429 pursuant to operating activities during the nine months ended September 30, 2019.

Investing Activities

The Company used net cash of $142,654 in investing activities during the nine months ended September 30, 2019, relating to expenditures on the Company's Bullard Pass property.

Financing Activities

The Company received net cash of $416,500 from financing activities during the nine months ended September 30, 2019.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the directors and officers of the Company. Management compensation transactions for the nine months ended September 30, 2019 is summarized as follows:

		September 30, 2019
Management fees	$	37,450
Share-based payments		100,957
Total	$	138,450

These transactions were in the normal course of operations and measured at their exchange amounts, being the amounts agreed to by the parties to the transactions.

As of September 30, 2019, $nil (December 31, 2018 - $18,900) is owed to Brian Thurston, CEO of the Company for unpaid fees and expenses.

During the nine months ended September 30, 2019, $37,450 was paid to Brian Thurston, CEO of the Company pursuant to management and geology related services provided. Of this amount, $10,000 was capitalized to exploration and evaluation assets.

The Company granted options with fair values measured using the black-scholes option pricing model as follows:

	Number of options granted		Fair value expensed in the period
Brian Thurston, CEO and Director	150,000	$	37,859
Eli Dusenbury, CFO	50,000		12,620
Mike Aujla, Director	100,000		25,239
Dave McMillan, Director	100,000		25,239
Total	400,000	$	100,957

PROPOSED TRANSACTIONS

As of the date of this MD&A, there were no proposed transactions.

SUBSEQUENT EVENTS

On October 9, 2019, the Company completed a private placement issuing 2,023,075 units at a price of $0.26 per unit for total proceeds of $526,000. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable for one common share a price of $0.32 for a period two years from the date of issuance.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

Accounting standard adopted during the period

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRS 16, Leases, specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning after January 1, 2019. There was no impact on the Company’s financial statements pursuant to adopting this standard.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company’s financial instruments are exposed to certain financial risks which are discussed in detail in note 4.10 of the Company’s audited financial statements for the year ended December 31, 2018.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the nine months ended September 30, 2019, the Company incurred the following significant expenses:

	2019
	$
Consulting	27,450
Filing fees	24,790
Professional fees	112,284
Share-based payments	290,250

An analysis of material components of the Company’s consulting, exploration, filing, and professional fee expenses is disclosed in the financial statements for the nine months ended September 30, 2019 to which this MD&A relates.

The Company had one exploration property during the nine months ended September 30, 2019 pursuant to the plan of arrangement with Chemesis International Inc., which completed on February 1, 2019. The Company has 100% interest in the Bullard Pass Property held through its wholly-owned subsidiary.

DISCLOSURE OF OUTSTANDING SHARE DATA

Shares issued and outstanding as at November 21, 2019 is 10,323,075 common shares.

As of November 21, 2019, the following warrants were outstanding:

Expiry date	Warrants	Exercise Price	
April 18, 2021	8,300,000	$	0.10
October 9, 2021	2,023,075	$	0.32

Pursuant to the spin-out transaction options the Company granted 305,000 options. As of November 21, 2019, the following options were outstanding:

	Outstanding and exercisable		
Expiry date	Number of options	Exercise price	Remaining contractual life (years)
June 9, 2022	17,500	0.50	2.69
August 18, 2022	15,000	1.10	2.88
July 22, 2023	240,000	1.00	3.81
September 27, 2023	10,000	1.74	3.99
November 6, 2023	15,000	1.40	4.10
September 24, 2024	1,150,000	0.32	4.99
	1,447,500	0.46	4.73

	Outstanding and exercisable		
Expiry date	Number of options	Exercise price	Remaining contractual life (years)
June 9, 2022	17,500	0.50	2.69
August 18, 2022	15,000	1.10	2.88
July 22, 2023	240,000	1.00	3.81
September 27, 2023	10,000	1.74	3.99
November 6, 2023	15,000	1.40	4.10
September 24, 2024	1,150,000	0.32	4.99
	1,447,500	0.46	4.73

Outstanding and exercisable

Expiry date	Number of options	Exercise price	Remaining contractual life (years)
June 9, 2022	17,500	0.50	2.69
August 18, 2022	15,000	1.10	2.88
July 22, 2023	240,000	1.00	3.81
September 27, 2023	10,000	1.74	3.99
November 6, 2023	15,000	1.40	4.10
September 24, 2024	1,150,000	0.32	4.99
	1,447,500	0.46	4.73

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, the Company faces a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intends to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of its properties may not result in the discovery of mineral deposits. Any expenditures that the Company may make in the exploration of any other mineral property that it may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of the Company's exploration do not reveal viable commercial mineralization, the Company may decide to abandon some or all of its property interests.

Loss of Interest in Properties

The Company's ability to maintain an interest in the properties optioned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties optioned by the Company, including the Qualifying Property.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that the Company's exploration activities will result in the discovery of any quantities of mineral deposits on its current properties or any other additional properties the Company may acquire.

The Company intends to continue exploration on its current properties and the Company may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. The Company can provide investors with no assurance that exploration on its current properties, or any other property that the Company may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent the Company from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If the Company is unable to establish the presence of mineral deposits on its properties, its ability to fund future exploration activities will be impeded, the Company will not be able to operate profitably and investors may lose all of their investment in the Company.

The potential profitability of mineral ventures depends in part upon factors beyond the control of the Company and even if the Company discovers and exploits mineral deposits, the Company may never become commercially viable and the Company may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond the Company's control, including the existence and size of mineral deposits in the properties the Company explores the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in the Company not receiving an adequate return on invested capital. These factors may have material and negative effects on the Company's financial performance and its ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on the Company.

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent the Company from conducting planned activities or may increase its costs of doing so, which would have material adverse effects on its business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damages that the Company may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect the Company's ability to carry on its business.

Title to mineral properties is a complex process and the Company may suffer a material adverse effect in the event one or more of its property interests are determined to have title deficiencies.

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has either staked property or entered into property option agreements or joint venture agreements on its existing Project interests, the Company cannot give an assurance that title to such property will not be challenged or impugned. Further, the Company cannot give an assurance that the existing description of mining titles will not be changed due to changes in policy, rulings, or law in the jurisdiction where the property is located. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to one or more of its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

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

Because the Company's property interests may not contain mineral deposits and because it has never made a profit from its operations, the Company's securities are highly speculative and investors may lose all of their investment in the Company.

The Company's securities must be considered highly speculative, generally because of the nature of its business and its stage of operations. The Company currently has exploration stage property interests which may not contain mineral deposits. The Company may or may not acquire additional interests in other mineral properties but the Company does not have plans to acquire rights in any specific mineral properties as of the date of this report. Accordingly, the Company has not generated significant revenues nor has it realized a profit from its operations to date and there is little likelihood that the Company will generate any revenues or realize any profits in the short term. Any profitability in the future from the Company's business will be dependent upon locating and exploiting mineral deposits on the Company's current properties or mineral deposits on any additional properties that the Company may acquire. The likelihood that any mineral properties that the Company may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. The Company may never discover mineral deposits in respect to its current properties or any other area, or the Company may do so and still not be commercially successful if the Company is unable to exploit those mineral deposits profitably. The Company may not be able to operate profitably and may have to cease operations, the price of its securities may decline and investors may lose all of their investment in the Company.

As the Company faces intense competition in the mineral exploration and exploitation industry, the Company will have to compete with the Company's competitors for financing and for qualified managerial and technical employees.

The Company's competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than the Company. As a result of this competition, the Company may have to compete for financing and be unable to acquire financing on terms it considers acceptable. The Company may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If the Company is unable to successfully compete for financing or for qualified employees, the Company's exploration programs may be slowed down or suspended, which may cause the Company to cease operations as a company.

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its exploration activities and investors could lose their entire investment.

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company requires additional financing in order to proceed with the exploration and development of its properties. The Company will also require additional financing for the fees it must pay to maintain its status in relation to the rights to the Company's properties and to pay the fees and expenses necessary to operate as a public company. The Company will also need more funds if the costs of the exploration of its mineral claims are greater than the Company has anticipated. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company will also need further financing if it decides to obtain additional mineral properties. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

ADDITIONAL INFORMATION

Additional information about the Company is available on SEDAR at http://www.sedar.com.

BOARD APPROVAL

The board of directors of the Company has approved this MD&A.