AMERICAN COPPER DEVELOPMENT CORPORATION
(formerly Cirrus Gold Corp.)
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

REPORT DATE:
NOVEMBER 16, 2022

This Management Discussion and Analysis (the "MDA") provides relevant information on the operations of American Copper Development Corporation (formerly Cirrus Gold Corp.) (the "Company") to the Report Date and the financial condition of the Company for the period ended September 30, 2022.

This document contains forward looking statements. Please see section "*Forward-Looking Statements*".

The MDA should be read in conjunction with the Company's condensed interim consolidated financial statements for the period ended September 30, 2022, and the consolidated financial statements and notes thereto for the year ended December 31, 2021 and dated April 28, 2022.

The Company is in the business of mineral exploration. Activities include the evaluation, acquisition and exploration of mineral exploration properties, for the purpose of discovering an economic mineral deposit. The realization of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves and future profitable production or proceeds from the disposition of these assets. The carrying values of exploration and evaluation assets do not necessarily reflect their present or future values.

All monetary amounts in this MDA and in the financial statements are expressed in Canadian dollars, unless otherwise stated. Financial results are being reported in accordance with International Financial Reporting Standards ("IFRS").

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which is it was made, with respect to the period covered by these filings, and these financial statements together with other financial information included in these filings. The Board of Directors approves the interim condensed financial statements and MDA and ensures that management has discharged its financial responsibilities.

The Company's head office is located at 2710 – 200 Granville Street, Vancouver, BC, and its registered and records office is located at #2600 – 1066 West Hastings Street, Vancouver, B.C. The Company was incorporated under the Business Corporations Act (British Columbia) on February 5, 2020. To date,the Company has not earned operating revenue.

OVERALL PERFORMANCE

EXPLORATION AND PROJECTS

The principal assets of the Company is the Lordsburg Project and its option to acquire a 100% interest in the Chuchi South Project.

Lordsburg Project

The Lordsburg project is comprised of 970 contiguous Federal patented and unpatented lode mining claims, covering 7,560 hectares in area. The project is located immediately south of the town of Lordsburg (population 2,335) in southwest New Mexico, approximately 250 kilometers east of Tucson, Arizona, and 500 kilometers south of Albuquerque, New Mexico. Lordsburg is the county seat of Hidalgo County and lies on Interstate 10 and the Union Pacific railroad.

The northern portion of the project has a long history of underground mining for silver, gold, copper, and lead. The earliest non-native visitors to the area were survey parties of the United States military sent to scout railroad routes to the west coast by the United States government between 1854-1873. They were followed by prospectors and early miners seeking silver and gold, and later, copper and lead.

A host of small underground mines were in operation but only a handful achieved significant production of precious and base metals. The Atwood group, the Henry Clay, the Emerald, Superior, Jim Crow, Bonney, Miser's Chest, Bluebird, and Robert E. Lee mines account for most of the historic production. The last of these mines ceased operations in the 1970's. The search for, and mining of smelter flux feed was the last active successful mining activity in the district, and ended in the 1990's. Since that time, the only mining related activity has been exploration for silica flux, base and precious metal veins and limited exploration work for porphyry copper deposits by the antecedent companies of American Copper Development Corp.

Only recently, limited exploration work at Lordsburg was focused on exploring for porphyry copper deposits and includes regional geological synthesis and project scale geological mapping campaigns, geochemical sampling, geophysical surveys, and diamond drilling. These efforts have only tested a small portion of the project. . Between 2008 and 2009, Entrée Gold Inc. mapped the eastern and southeastern portion of the district, collected soil and rock geochemical samples, completed magnetic, audio-frequency magnetotelluric and induced polarization surveys, and drilled 13 core holes, encountering potassic alteration on surface, and low-grade porphyry copper mineralization in eight of 13 core holes. Santa Fe Gold Company mapped, sampled, and conducted a limited scale, controlled source, audio-frequency magnetotelluric survey in the northern part of the project area in 2011. Their work was largely focused on the search for narrow vein, underground base, and precious metal feed for their Bonney mill and for smelter flux, but they recognized the pervasive and intensive propylitic alteration of the Laramide andesites and granodiorite stock. Their drilling was not designed specifically to test for porphyry copper mineralization however, their geologists recognized metallogenic and wall rock alteration zoning patterns that indicated the possible presence of a porphyry centers beneath the 85 and the Misers Chest mines. Waterton Global Resource Management completed high-level desktop studies of the district between 2016 and 2020, that included a green-rock study, a review of satellite and hyperspectral data, and processing of publicly available magnetic data, concluding that porphyry copper potential in the district warranted further investigation.

The oldest rocks in the Lordsburg district are Cretaceous, pre-Laramide age metasediments and overlying basaltic-andesite and rhyolitic volcanic rocks. These sequences were intruded by a Laramide age, intermediate, porphyritic, composite stock that altered the older rocks to propylitic assemblages and generated the mineralized veins exploited by the historic underground mines. Later, post-Laramide andesites and rhyolitic pyroclastic rocks and recent alluvium partially covered the Laramide age porphyry. The Laramide rocks of Southwestern New Mexico were emplaced during a period of regional tectonic compression and then subjected to regional extension during the middle and later Tertiary. This change resulted in post mineral rotation, segmentation, and burial of post-Laramide and older rocks under Quaternary and recent alluvial deposits. The Lordsburg district was subjected to similar tectonic stresses.

The wall rock alteration assemblages, the composite nature of the Lordsburg stock, the presence of breccia pipes and felsic and mafic dikes, and the geometry of vein and fault patterns point to the possible presence of an actively differentiating porphyry system that could have generated a porphyry copper deposit. The extensional tectonic regime, considered in its regional context raises the distinct possibility that a porphyry copper deposit in the Lordsburg district could be rotated, and/or structurally dismembered, and/or buried beneath later cover.

The plan for 2022 is to continue the compilation of historical data, complete a 3D Titan IP and MT survey. The objective of the 3D IP and MT survey is to be aid in the design of a drill program to test for porphyry copper mineralization, expected to start in Q1 2023.

Chuchi South Project

Pursuant to an option agreement dated February 10, 2020, the Company was granted an option to acquire a 100% undivided intertest in the Chuchi South Project (the "Property") in the Omineca Mining Division, British Columbia. The Property is located about 100 kilometers north-northwest of Fort St James in central British Columbia. It constitutes 13 contiguous mineral claims amounting to 3118.7 hectares.

An independent geological report (the "Technical Report") prepared by Hardolph Wasteneys, Ph.D., P. Geo, who is a "Qualified Person" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43- 101"), was completed in relation to the Property on December 21, 2020. The Technical Report recommends that the Company conduct a two-phase exploration program comprised of Phase 1, a limited program to determine the nature of mineralization in the Coho Zone by mapping, IP geophysics, and lithogeochemistry; and Phase 2 contingent on finding positive indications of a porphyry system by means of the results of the first phase, involves completion of an IP geophysics across the Property and drill-intensive exploration of targets.

In early 2020 a compilation of available information was completed on the Property for Cirrus in order to plan for 2020 fieldwork. Two geologists and a prospector spent six days on the Property in September 2020, conducting geological reconnaissance/sampling and local detailed mapping. An airborne magnetic survey was flown over the Property in October 2020. In September of 2021, two prospectors and a geologist spent nine days on the Property, conducting additional geological reconnaissance and prospecting. Attention was focussed on the Coho Zone, which was expanded from a minor showing known by the vendor to an extensive zone of potassically altered intrusive with copper values up to 16.35% and gold values up to 16.15 g/t (grab samples). Several other zones with mineralization were noted on the Property.

In August/September 2022, two geologists and three prospectors spent an additional ten days on the Property. Additional information and samples were collected from the Coho Zone and several other showings. A team of two samplers spent four days channel sampling, mainly at the Coho Zone. The complete assay results have not been received at the time of writing.

The Company has been and currently plans to continue broadly following and expanding on the recommendations made in the Technical Report. The fieldwork, lithogeochemistry and petrographic studies envisaged in a Phase 1 program are mostly complete; initial soil sample collection and IP surveying remain to be completed. Work to date has enabled the prioritization of areas where soil geochemistry and IP should be completed. The objective of the remainder of Phase 1 is to enable effective drill targeting by defining high priority IP chargeability anomalies spatially related to magnetic highs, soil geochemical anomalies and metal concentrations in rocks. Phase 2 would be dominated by up to 3,000 meters of diamond drilling, and possibly include a major expansion of the IP surveying.

QUALIFIED PERSONS

Tom Setterfield, PhD, PGeo., a "Qualified Person" as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for the mineral property disclosure of the Chuchi South Project in this MDA and has approved the disclosure herein. Dr. Setterfield is not independent of the Company.

Mark Osterberg Ph D., a "Qualified Person" as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for the mineral property disclosure of the Lordsburg Project in this MDA and has approved the disclosure herein. Mr. Osterberg is independent of the Company.

SUMMARY OF QUARTERLY RESULTS

The following selected financial data have been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. The following is a summary of selected financial data for the Company for its eight completed financial quarters ended September 30, 2022.

Quarter Ended Amounts in 000's	**Sept. 30, 2022**	**June 30, 2022**	**Mar. 31, 2022**	**Dec. 31, 2021**	**Sept. 30, 2021**	**June 30, 2021**	**Mar. 31, 2021**	**Dec. 31, 2020**
Net loss	(806)	(495)	(137)	(25)	(19)	(17)	(36)	(32)
Earnings (loss) per share – basic and diluted	(0.01)	(0.03)	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)
Total assets	17,206	8,071	529	398	410	269	243	290
Working capital(deficit)	8,293	7,348	30	198	263	73	79	124

During the quarter ended September 30, 2022, the Company completed the acquisition of the Lordsburg property by issuing 26,376,591 common shares valued at $6,604,148 and paying $500,000 in cash. The Company had general and administration expenditures of $806,090 which includes $614,628 in share-based payments.

During the quarter ended June 30, 2022, the Company had general and administrative expenditures of $495,028 and incurred deferred transaction costs of $170,786. The Company received $7,813,960 in subscription receipts.

During the quarter ended March 31, 2022, the Company had general and administrative expenditures of $137,081 and incurred deferred transaction costs of $180,645.

During the quarter ended December 31, 2021, the Company had general and administrative expenditures of $24,285 and property expenditures of $41,112.

During the quarter ended September 30, 2021, the Company completed its initial public offering and received gross proceeds of $350,000 and had share issuance costs of $150,233 and had general and administrative expenditures of $18,747.

During the quarter ended June 30, 2021, the Company had general and administration expenditures of $17,396.

During the quarter ended March 31, 2021, the Company had general and administration expenditures of $41,223 including $32,020 in share-based compensation and exploration and evaluation expenditures of $25,000.

During the quarter ended December 31, 2020, the Company completed a private placement for gross proceeds of $185,000 and had general and administration expenditures of $26,981 and exploration and evaluation expenditures of $81,151.

Nine Months ended September 30, 2022 compared to nine months ended September 30, 2021

The Company's general and administrative costs were $1,438,201 (2021 - $77,366), and reviews of the major items are as follows:

- Consulting fees of $164,397 (2021 - $22,500) consisting of fees paid to the CEO of $25,000 (2021 - $Nil), fees to the VP Exploration of $81,122 (2021 - $Nil) fees to the CFO of $10,000 (2021 - $Nil) payments for office administration of $31,000 (2021 - $22,500) and other of $17,275 (2021 - $Nil);

- Professional fees of $209,701 (2021 - $9,205) consisting of legal of $189,001 (2021 - $4,305) and accounting and audit of $20,700 (2021 - $4,900);

- Property investigation of $333,532 (2021 - $Nil) consisting of expenditures spent on the Lordsburg property prior to acquisition;

- Regulatory and transfer agent fees of $44,663 (2021 - $7,019) which consisted of regulatory of $34,173 (2021 - $7,019) and transfer agent fees of $10,490(2021 - $Nil); and

- Share-based compensation of $614,628 (2021 - $32,020) for options issued during the period.

Three Months ended September 30, 2021 compared to three months ended September 30, 2020

The Company's general and administrative costs were $806,090 (2021 - $18,747), and reviews of the major items are as follows:

- Consulting fees of $145,372 (2021 - $7,500) consisting of fees paid to the CEO of $25,000 (2021 - $Nil), fees to the VP Exploration of $81,122 (2021 - $Nil) fees to the CFO of $10,000 (2021 - $Nil) payments for office administration of $11,975 (2021 - $7,500) and other of $17,275 (2021 - $Nil);

- Professional fees of $95,088 (2021 - $5,806) consisting of legal of $81,288 (2021 - $906) and accounting and audit of $4,900 (2021 - $Nil);

- Property investigation of $(95,062) (2021 - $Nil) consisting of reclassification of expenditures spent on the Lordsburg property prior to acquisition to exploration and evaluation assets;

- Regulatory and transfer agent fees of $28,585 (2021 - $2,019) which consisted of regulatory of $21,780 (2021 - $2,019) and transfer agent fees of $6,805 (2021 - $Nil); and

- Share-based compensation of $614,628 (2021 - $Nil) for options issued during the period.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2022, the Company had working capital of $8,049,496 (December 31, 2021 - $198,413).

Because of economic conditions, globally, there is uncertainty in capital markets and the Company anticipates that it and others in the mineral resource sector may have limited access to capital. Although the business and assets of the Company have not changed, investors have increased their risk premium and their overall equity investment has diminished. The Company continually monitors its financing alternatives and expects to increase its treasury through private placements to support and bolster its exploration activities.

The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

During fiscal 2022

On February 10, 2022, the Company issued 200,000 common shares for the acquisition of exploration and evaluation assets at a value of $60,000.

On August 5, 2022, the Company completed its private placement offering of 40,015,840 subscription receipts (the "Subscription Receipts") at a price of $0.25 per Subscription Receipt for gross proceeds of $10,003,960. Contemporaneous with the closing of the Transaction and upon satisfaction of certain escrow release conditions, the Subscription Receipts automatically converted into 40,015,840 Common Shares in accordance with their terms. The Company paid a cash finders fee of $11,750 and issued 35,000 agent warrants valued at $2,845. Each agent warrant is exercisable at $0.25 per agent warrant until February 9, 2024. Additional share issue costs of $181,004 were incurred in connection with the financing and was recorded as an off set to share capital, as share issue costs.

On August 5, 2022, the Company issued 26,176,591 common shares for the acquisition of exploration and evaluation assets at a value of $6,544,148 and issued 1,720,00 common shares for finders fees valued at $430,000 on the Lorsburg property.

During fiscal 2021

On February 10, 2021, the Company issued 150,000 common shares for the acquisition of exploration and evaluation assets at a value of $7,500.

On July 26, 2021, the Company completed its Initial Public Offering and issued 3,500,000 common shares at a price of $0.10 per share for gross proceeds of $350,000. The Company paid cash finders fees of $35,000, issued 350,000 agent warrants valued at $18,311 and paid cash corporate finance fee of $30,000 and issued 100,000 common shares valued at $10,000. Each agent warrant is exercisable at an exercise price of $0.10 per agent warrant to July 26, 2023. Additional share issue costs of $75,233 were incurred in connection with this financing, and was recorded as an offset to share capital, as share issue costs.

The Company has no long-term debt obligations.

SHARE CAPITAL

(a) As of the date of the MDA the Company has 82,487,431 issued and outstanding common shares. The authorized share capital is unlimited no-par value common shares.

(b) As at the date of the MDA the Company has 5,200,000 incentive stock options outstanding.

(c) As at the date of the MDA the Company has 385,000 share purchase warrants.

RELATED PARTY TRANSACTIONS

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the periods ended September 30, were:

		2022		2021
Short-term benefits paid or accrued:				
Consulting fees	$	116,122	$	-
		116,122		-
Share-based payments:				
Share-based payments		424,386		27,217
Total remuneration	$	540,508	$	27,217

Included in accounts payable and accrued liabilities as at September 30, 2022 was $86,372 (December 31, 2021 – $Nil) owed to an officer of the Company and a Company controlled by an officer of the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

INVESTOR RELATIONS

The Company has no investor relations contracts and Daniel Schieber, CEO, handles any matters in regard to investor relations.

PROPOSED TRANSACTIONS

Currently the Company is not a party to any material proceedings. The Company continually evaluates new opportunities, including new properties by staking, acquisition or joint venture, and corporate consolidation or merger opportunities.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting year. Areas requiring the use of estimates in the preparation of the Company's financial statements the carrying value and the recoverability of the exploration and evaluation assets included in the Statement of Financial Position, the assumptions used to determine the fair value of share-based payments in the Statement of Comprehensive Loss, and the estimated amounts of reclamation and environmental obligations. Management believes the estimates used are reasonable; however, actual results could differ materially from those estimates and, if so, would impact future results of operations and cash flows.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the Company's significant accounting policies during the period ended September 30, 2022, that had a material effect on its financial statements. The Company's significant accounting policies are disclosed in Note 2 to its audited annual financial statements for the year ended December 31, 2021.

NEW STANDARDS AND INTERPRETATIONS

Future changes in accounting policy

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended September 30, 2022, and have not been applied in preparing the financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

RISKS AND UNCERTAINTIES

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

The Company will take steps to verify the title to any properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties. These procedures do not guarantee the Company's title. Property titles may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects or changes in government policy and regulations.

The Company has no significant sources of operating cash flow and no revenue from operations. Additional capital will be required to fund the Company's exploration program. The sources of funds available to the Company are the sale of equity capital or the offering of an interest in its project to another party. There is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

The property interests to be owned by the Company or in which it may acquire an option to earn an interest are in the exploration stages only, are without known bodies of commercial minerals and have no ongoing operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into production. If the Company's efforts do not result in any discovery of commercial minerals, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties in which it previously had no interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liabilities to the Company.

The COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Company's operations and access to capital. There can be no assurance that the Company will not be further impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets which may reduce share prices and financial liquidity and thereby severely limit the financing capital available to the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk factors

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.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash is deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company has no debt and considers the credit risk of receivables to be low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have enough liquidity to meet liabilities when due. As of September 30, 2022, the Company had a cash balance of $8,293,426 (December 31, 2021 - $194,657) to settle current liabilities of $797,757 (December 31, 2021 - $12,214). All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company has no debt and is not subject to significant exposure to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to assets, liabilities and expenditures that are denominated in USD.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss, the ability to obtain financing, or the ability to obtain a public listing due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options and warrants included in reserve, and subscriptions receivable.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest is in the exploration stage as such the Company has historically relied on the equity markets to fund its activities. The Company will also assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has, or as access to adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There we no changes to the Company's approach to capital management during the year.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining that mineralization, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;

- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company's exploration programs;

- the Company's estimates of the quality and quantity of the resources and reserves at its mineral properties;

- the timing and cost of planned exploration programs of the Company and the timing of the receipt of result thereof;

- general business and economic conditions;

- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and

- the Company's expectation that it will be able to add additional mineral projects of merit to its existing property portfolio.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on several assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;

- general business and economic conditions;

- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration;

- conditions in the financial markets generally;

- the Company's ability to attract and retain key staff;

- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs; and

- the ongoing relations of the Company with its regulators.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. The current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to sustain operations.

APPROVAL

The Board of Directors of the Company has approved the disclosures in this MDA.

ADDITIONAL SOURCES OF INFORMATION

Additional disclosures pertaining to the Company, including its most recent, financial statements, management information circular, material change reports, press releases and other information, are available on the SEDAR website at www.sedar.com. Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.