COPPERHEAD RESOURCES INC.
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND FOR THE PERIOD FROM DATE OF INCORPORATION (FEBRUARY 17, 2022) TO MARCH 31, 2022
MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The following management discussion and analysis ("MD&A") is a review of operations, current financial position and outlook for Copperhead Resources Inc. (the "Company" or "Copperhead") and should be read in conjunction with the unaudited condensed interim financial statements for the period ended March 31, 2023, and the audited financial statements for the period from date of incorporation (February 17, 2022) to December 31, 2022. Results are presented for the three months ended March 31, 2023 and the period from date of incorporation (February 17, 2022) to March 31, 2023. Amounts are reported in Canadian dollars based upon the financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Management has prepared this MD&A as of May 30, 2023.

This MD&A provides management's view of the financial condition of the Company and the results of its operations for the reporting periods indicated. Additional information related to Copperhead can be obtained from the offices of the Company or is available as filed on the Canadian Securities Administrators' website at www.sedar.com.

Overview of the Company

The Company is an exploration stage junior mining company engaged in the business of identification, acquisition and exploration of mineral interests.

The Company was incorporated on February 17, 2022 under the *Business Corporations Act* (British Columbia). The address of the Company's registered office is 607 - 1750 Davie Street, Vancouver, BC V6G 1W3.

Forward Looking Information

This MD&A contains forward-looking statements intended to provide readers with a reasonable basis for assessing the Company's performance. Forward-looking statements can be identified by such words as "plans", "expects", "budgets", "estimates", "intends", "anticipates", "believes", "continues", "may", "could", "would", "should", "might" or "will", or equivalents or variations thereof. Forward-looking statements include those with respect to the Company's future strategy, plans, transactions, objectives and adequacy of working capital, including statements relating to acquiring, exploring, and monetizing current and future mineral exploration properties.

Forward-looking statements rely on underlying assumptions, including management's expectations as to transaction opportunities, exploration potential, and precious metals prices that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, those described under "Risks and Uncertainties" below and among others, the exploration or monetization potential of the Company's mineral properties, transaction execution risk, volatility in financial markets, economic conditions, precious metals prices and unanticipated increases in expenses. Although the Company has attempted to identify important factors that could cause actions, events or results not to be as predicted, there can be no assurance that forward-looking statements will prove to be accurate. Other than as required by applicable Canadian securities laws, the Company does not undertake to update any such forward-looking statements to reflect events or circumstances after the date hereof. Accordingly, readers should not place undue reliance on any forward-looking statements herein.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

On April 6, 2022 (the "Commencement Date"), the Company entered into an agreement (the "Option Agreement") with Romios Gold Resources Inc ("Romios"). The Company has the option to acquire 75% of Romios' interest in a group of properties, collectively referred to as the "Red Line Property" or "Project". The Company can exercise the option to acquire 75% of the Project by:

i) Incurring exploration expenditures of
   a. $75,000 within 12 months of the Commencement Date (completed);
   b. $100,000 within 24 months of the Commencement Date (partially completed);
   c. $150,000 within 36 months of the Commencement Date;
ii) Issuing:
   a. 1,000,000 common shares to Romios within 5 days of the Commencement Date (completed);
   b. 500,000 common shares to Romios within 36 months of the Commencement Date;
iii) Making a cash payment of $75,000 on or before the third anniversary of the Commencement Date; and
iv) Enter into a joint venture with Romios to collectively operate the project, whereby the Company's initial interest in the joint venture shall be 75% and Romios's initial interest shall be 25%.

During the period, the Company conducted a geological survey which served to confirm the presence of stratigraphy and possible addenda requiring further exploration. The Company engaged an independent expert to prepare a NI 43-101 compliant technical report which includes exploration recommendations. The Company completed the listing of the Company's common shares on the Canadian Securities Exchange (CSE:CUH) in May 2023.

RED LINE PROPERTY

On November 4, 2022, the Company completed a Technical Report in accordance with National Instrument 43-101 titled *"Technical Report On The Redline Property, Skeena Mining Division, Northwestern British Columbia, Canada"* prepared by Paul Metcalfe, Ph.D. P.Geo. FGS of Palatine Geological Ltd (the "Author"). All scientific and technical information for the Red Line Project in this MD&A has been reviewed and approved by Paul Metcalfe, who is a qualified person under the definitions established by National Instrument 43-101.

The Technical Report is available under the Company's profile on SEDAR at www.sedar.com.

The 2416.9 hectare (ha) Project comprises eight electronic mineral tenures located on the eastern edge of the Coast Ranges of British Columbia 990 kilometers (km) north-northwest (NNW) of Vancouver, Canada (Figure 1).

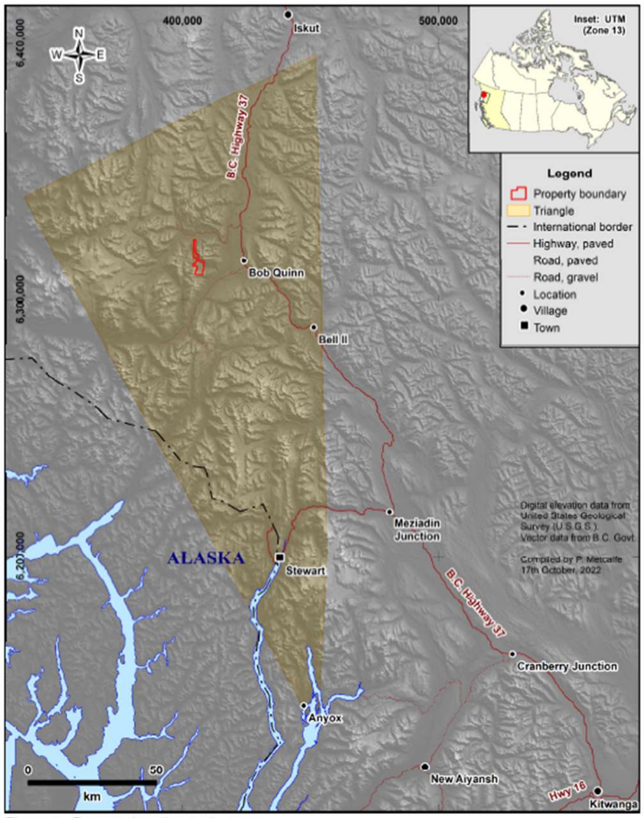

Figure 1. Property location and access.

Exploration by the Company

Geological mapping and geochemical sampling of accessible streams were carried out during the course of fieldwork. A total of 43 samples (16 rock, 10 heavy mineral and 17 stream sediment) were submitted by Romios, on behalf of the Company, to ALS labs in Vancouver and to ActLabs in Ontario. Samples were generally low in precious metals and, indeed, in base metals. However, elevated values of arsenic (As) were detected in the sample of talus fines (PM22-055) taken on the ridge crest at the centre of the southeasterly striking fracture zone. Elevated As was also associated with the two anomalous Au values taken beyond the eastern limit of the 1992 geophysical survey. Stream sediment and heavy mineral concentrate samples taken in the valley bottom and in areas of thick moraine in adjacent cirques were low in concentrations of both Au and the pathfinder element As.

2022 fieldwork returned generally low values from geochemical sampling, consistent with previous studies on ground enclosed by the present Project. Moreover, the areas selected for geological investigation confirmed, with two exceptions, previous geological mapping. The two exceptions were a southeast-striking, southwest-dipping fracture zone, probably a fault, spatially associated with a subcrop or proximal float of a Kfeldspar megacrystic porphyry. The close lithological similarity of this intrusive lithology with an intrusive phase explicitly associated with the Galore Creek deposit is remarkable.

The Company expects to continue to explore the Project by conducting the following exploration activities: :

1. Consultation with independent experts in geophysics and in exogenic geochemistry, for the purposes of recommending optimal techniques for the location of blind, precious metalbearing exhalative deposits,

porphyry-style deposits and intrusion-related precious metal vein deposits under glacial and bedrock cover in mountainous terrain;

2. Planning and execution of the recommended geophysical survey;
3. Isotopic age measurement and geochemical analysis of a sample of Black Cat Porphyry where located in outcrop, using U-Pb laser ablation mass spectrometry on zircon to allow for determination of the primary oxidation state of the magma (and thereby fertility);
4. Detailed mapping of the Project, with particular attention to intrusive rocks and any associated alteration, accompanied by intensive prospecting;
5. Creation of a test line for evaluation of various exogenic geochemical methods for locating blind porphyry, vein and Eskay Creek-style exhalative targets; and
6. Planning and execution of the recommended exogenic geochemical survey.

MINERAL PROPERTY EXPENDITURES

	Red Line
	$
Acquisition Costs	
Share paid	52,500
Balance, December 31, 2022, March 31, 2023	**52,500**
Exploration Costs	
Logistics	59,845
Geological consulting	54,411
Travel & lodging	3,269
Assaying, analysis, and sampling	586
Balance, December 31, 2022, March 31, 2023	**118,111**

SUMMARY OF QUARTERLY RESULTS

Quarter ended	Q1 March 31, 2023	Q4 December 31, 2022	Q3 September 30, 2022	Q2 June 30, 2022	Q1 March 31, 2022
	$	$	$	$	$
Net Sales	Nil	Nil	Nil	Nil	Nil
Loss for the period	(51,022)	(71,854)	(97,110)	(15,886)	(1,702)
Basic and diluted Loss per share	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)
Total assets	524,870	536,660	311,749	355,268	312,500
Working capital	415,364	387,332	218,783	290,893	308,298

During the quarter ended March 31, 2023, the Company incurred filing fees totaling $29,801 related to its recent listing of its common shares on the Canadian Securities Exchange. The Company had a lower net loss in the current quarter as no exploration cost was incurred in the period due to a halt in operations during winter. Exploration costs totaled $40,254 in the prior quarter ended December 31, 2022.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2023, the Company had cash and cash equivalents of $466,182 and a working capital of $415,364. The Company has enough working capital on hand to pay all commitments, but anticipates requiring additional financing to pay for capital expenditures, exploration and administrative costs required to move the business forward. The Company has operating losses and negative cash flows from operations. The Company will remain reliant on capital markets for future funding to meet its ongoing obligations.

OUTSTANDING SHARE DATA

The Company was authorized to issue an unlimited number of common shares.

Issued

	Number of Common Shares	Amount $
Incorporation share, February 17, 2022	1	-
Share issuance (i)	6,200,000	308,482
Share issuance (ii)	1,050,000	52,500
Share issuance (iii)	3,538,699	265,402
Balance December 31, 2022	**10,788,700**	**626,384**
Share issuance (iv)	303,000	30,300
Balance March 31, 2023	**11,091,700**	**656,684**

On March 11, 2022, the Company completed a non-brokered private placement for 6,200,000 common shares at a price of $0.05 per share, for gross proceeds of $310,000 less share issuance costs of $1,518.

On April 6, 2022, the Company issued of 1,000,000 common shares at a deemed price of $0.05 per share pursuant to the Option Agreement. On February 24, 2022, 50,000 common shares were issued at a deemed price of $0.05 per share as a finder's fee paid to a third party.

On July 20, 2022, October 19, 2022, October 21, 2022, and November 25, 2022, common shares totalling 333,334, 133,333, 2,603,698, and 468,334 respectively were issued at a price of $0.075 per share.

On January 10, 2023, the Company completed a private placement of 303,000 common shares at $0.10 per share for gross proceeds of $30,300.

On March 7, 2023, the Company issued 532,000 special warrants at $0.10 per unit for total proceeds of $53,200 and issued 200,000 special warrants as commission to the agent (the "Special Warrants"). The Company incurred $4,446 in issuance costs related to these Special Warrants. The Special Warrants automatically convert into common shares of the Issuer on a one to one basis on the earlier of the date that is (i) at any time, at the discretion of the Company or (ii) the third day following the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the Special Warrants or (iii) on that date that is 12 months from the date of issuance of the Special Warrants. These Special Warrants were converted to common shares on a one-to-one basis on May 15, 2023.

As at May 30, 2023, the Company's share capital structure is as follows:

Equity Type	Total Number Outstanding
Common Shares, basic and fully diluted	11,823,700

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

As at March 31, 2023, $27,685 (December 31, 2022: $31,660) included in accounts payable and accrued liabilities is due to an entity in which a director of the Company is also a director and shareholder. These amounts are unsecured, non-interest bearing and due on demand.

During the three months ended March 31, 2023, the Company incurred $10,500 (period from date of incorporation (February 17, 2022) to March 31, 2022: $Nil) in professional fees from an entity in which a director of the Company is also a director and shareholder.

All related party transactions are in the normal course of operations and have been measured at the agreed to amount, which is the amount of consideration established and agreed to by the related parties.

SUBSEQUENT EVENTS

Subsequent to the period, the Company received final approval to list its common shares (the "Shares") on the Canadian Securities Exchange (the "CSE"). The Shares were listed on the CSE under the symbol "CUH" at the opening of trading on May 23, 2023. In conjunction with the listing, the Special Warrants were converted to common shares on a one-to-one basis on May 15, 2023.

FINANCIAL INSTRUMENTS

As at March 31, 2023, the Company's only financial instruments are comprised of cash, receivable and accounts payables. The fair value of these financial instruments approximates their carrying value due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

ACCOUNTING POLICIES

The significant accounting policies used by the Company are as follows:

(a) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

(b) Mineral property interests and related costs

The Company charges all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves to operations. These costs would also include periodic fees such as license and maintenance fees.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration, option payment under an earn-in arrangement and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The Company may occasionally enter into option-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would otherwise be undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted as a gain on disposal.

(c) Impairment of assets

The carrying amount of the Company's assets (which include mineral property interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

(d) Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

(e) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on fair value at the date the shares were issued. The fair value is determined by referring to concurrent financing or recent private placements for cash.

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The share component of the unit is measured at fair value determined by referring to concurrent financing or recent private placements for cash, and the warrant component is measured by reference to the residual value, if any. Any value allocated to the warrant component is credited to reserves.

(f) Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting loss attributable to common equity holders of the Company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares. Dilutive potential common shares shall be deemed to have been converted into common shares at the beginning of the period or, if later, at the date of issue of the potential common shares.

The diluted loss per share is equal to the basic loss per share as a result of the anti-dilutive effect of the outstanding options and warrants.

(g) Financial instruments

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

(i) 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 following table shows the classifications under IFRS 9:

	Classification under IFRS 9
Cash	FVTPL
Receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

(ii) 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 statements of loss and comprehensive 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 statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income ("OCI"). On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) 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 statement of loss and comprehensive 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.

(iv) De-recognition financial assets
The Company de-recognizes 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.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on de-recognition are generally recognized in profit or loss.

(h) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

As at March 31, 2023, the Company, given the early stage of exploration on its mineral properties, has no reclamation costs and therefore no provision for environmental rehabilitation has been made.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring and exploring natural resource properties in Canada. Due to the nature of the Company's proposed business and the present stage of exploration of its resource properties, which are at very early stages, the following risk factors, amongst others, will apply:

Exploration Stage Company

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success will depend largely upon its ability to locate commercially productive mineral reserves. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

Success in establishing reserves is a result of a number of factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change.

Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that any future exploration programs will result in the establishment or expansion of resources or reserves.

Exploration and Development Risks

The business of exploring for minerals and mining involves a high degree of risk. There is no assurance the Company's mineral exploration activities will be successful. Few properties that are explored are ultimately developed into producing mines. In exploring and developing any future mineral deposits the Company will be subjected to an array of complex economic factors and technical considerations. Delays in obtaining governmental approvals, inability to obtain financing or other factors could cause delays in exploring and developing properties. Such delays could materially adversely affect the financial performance of the Company. Unusual or unexpected formations, formation pressures, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, environmental hazards, the discharge of toxic chemicals and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Company has limited experience in the development and operation of mines and in the construction of facilities required to bring mines into production. The Company has relied and may continue to rely upon consultants and others for operating expertise. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Financing

The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. Future exploration, development, mining, and processing of minerals from any of the Company's future properties will require additional financing. The only current sources of funds available to the Company are the sale of additional equity capital, which if available, may result in substantial dilution to existing shareholders. There is no assurance that such funding will be available to the Company, or that it will be obtained on terms favourable to the Company. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of the Company's properties, or even a loss of property interests.

Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Management believes the Company's overall liquidity risk has increased from the prior year due to the current global credit crisis and lack of financing available in the equity markets.

Difficulties in Raising Development Capital

Recent market events and conditions, including disruptions in the Canadian, United States and international credit markets and other financial systems and the deterioration of the Canadian, United States and global economic conditions, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on the Company's ability to fund its capital requirements to pursue the acquisition and exploration of any significant mineral projects or to secure its share of development financing following a decision to place any of its current or future mineral properties into production (whether on its own or on a joint venture basis).

Share Price Volatility

Worldwide securities markets, particularly those in North America, have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced unprecedented fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Most significantly, the share prices of junior natural resource companies have experienced an unprecedented decline in value and there has been a significant decline in the number of buyers willing to purchase such securities.

Despite the Company's past success in securing significant equity financing, market forces may render it difficult or impossible for the Company to secure places to purchase new share issues at a price which will not lead to severe dilution to existing shareholders, or at all.

Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Permits and Licenses

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

Acquisition of Mineral Concessions under Agreements

In the junior natural resource industry, it is typical for companies to enter into option agreement which allow the optionee to acquire the property over time while performing initial exploration activities. If the Company continues to enter into these types of agreements, the Company may have to make a series of cash payments and/or share issuances over certain time periods, expend certain minimum amounts on the exploration of the properties or contribute its share of ongoing expenditures. Failure by the Company to make such payments, issue such shares or make such expenditures in a timely fashion may result in the Company losing its interest in such properties. There can be no assurance that the Company will have, or be able to obtain, the necessary financial resources to be able to maintain all of its property agreements in good standing, or to be able to comply with all of its obligations thereunder, with the result that the Company could forfeit its interest in one or more of its mineral properties.

Environmental and Other Regulatory Requirements

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory approval and there is no assurance that such approvals will be obtained. Although the Company believes its mineral and exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Uninsured Risks

The Company may become subject to liability for cave-ins, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. The payment of such liabilities would reduce the funds available for exploration and mining activities. In particular, the Company is not insured for environmental liability or earthquake damage.

Operating Hazards and Risks

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 base metals, any of which could result in work stoppages, damage to property, and possible environmental damage. The Company currently does not maintain liability insurance against such liabilities. Although the Company currently intends to obtain insurance when it commences operations of reasonable significance, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial condition.

Title Matters

Often, the mining claims in which the Company could acquire an interest in have not been surveyed and, accordingly, the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land comprising the claims may be in doubt. Such claims would not be converted to lease and tenure, and are, accordingly, subject to annual compliance with assessment work requirement. Other parties may dispute the Company’s title to its mining properties. While the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing; this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements, first nation’s land claim or transfers of land claims and titles which may be affected by undetected defects.

Conflicts of Interest

Certain of the Company’s directors and officers serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company’s directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. Under the laws of the Province of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Fluctuation of Metal Prices

The market price of precious metals and other minerals is volatile and cannot be controlled. If the price of precious metals and other minerals should drop significantly, the economic prospects of the projects which the Company has an interest in could be significantly reduced or rendered uneconomic. There is no assurance that, even if commercial quantities of ore are discovered, a profitable market may exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Mineral prices have fluctuated widely, particularly in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of minerals, the effect of which cannot be accurately predicted.

KEY PERSONNEL

Damian Lopez, Director, President, CEO

Mike Dai, CFO

Matthew Larsen, Director, VP Corporate Development

Sasha Kaplun, Director

Barry Greene, Director

Additional information is available on SEDAR at www.sedar.com.