INTEGRAL METALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

(Expressed in Canadian Dollars)

This Management's Discussion and Analysis ("MD&A") has been prepared by management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the unaudited financial statements and notes thereto for the three and nine months ended September 30, 2024 (the "financial statements") of Integral Metals Corp. (the "Company"). The information provided herein supplements but does not form part of the audited financial statements. This discussion covers the three and nine months ended September 30, 2024, and the subsequent period up to the date of issue of this MD&A. Such financial statements have been prepared in accordance with IFRS.

The scientific and technical information contained in this MD&A has been reviewed and approved by Jared Suchan, Ph.D, P. Geo, VP, Exploration of the Company and a "qualified person" within the meaning of NI 43-101.

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

DATE

This MD&A is prepared as of November 29, 2024.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A 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 MD&A. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, and our ability to manage our 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) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) 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

Integral Metals Corp. (formally known as, Carmelo Capital Corp.) was incorporated under the laws of British Columbia on November 7, 2017. On December 20, 2023, the Company changed its name to "Integral Metals Corp." from "Carmelo Capital Corp." On October 31, 2024, the Company's common shares began trading on the Canadian Securities Exchange ("CSE") under the symbol "INTG".

The Company's registered office and principal place of business is 610-505 3 St. SW, Calgary, Alberta, T2P 3E6.

The Company was incorporated with the intention of pursuing a strategic acquisition in the mineral exploration sector.

OVERALL PERFORMANCE

The Company has not generated revenues to date from operations as it is in the exploration phase and continues to focus on the acquisition of strategic exploration assets.

As at September 30, 2024 the Company had total assets of $2,179,336 and a working capital of $656,954.

The assets consisted of the following:

As at	September 30, 2024	December 31, 2023	December 31, 2022
	$	$	$
Cash	405,544	1,826,019	321
GST receivable	71,316	25,092	14,124
Other receivables	7,220	-	-
Prepaid expenses	386,235	-	-
Exploration and evaluation advances	70,178	212,000	-
Exploration and evaluation assets	611,392	-	-
TOTAL ASSETS	**1,551,885**	**2,063,111**	**14,445**

The liabilities consisted of the following:

As at	September 30, 2024	December 31, 2023	December 31, 2022
	$	$	$
Accounts payable and accrued liabilities	213,361	55,704	179,255
TOTAL LIABILITIES	**213,361**	**55,704**	**179,255**

RESULTS OF OPERATIONS

For the nine month period ended September 30, 2024, the Company generated a net and comprehensive loss of $1,125,189 (2023 – $91,704). The following is the results of the Company's operations:

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
REVENUE	-	-	-	-
EXPENSES				
Advertising and marketing	15,000	-	30,627	-
Consulting fees	7,500	28,500	181,500	85,500
Exploration expense	-	-	47,688	-
Filing fees	25,395	5,487	116,905	5,998
Management fees	58,500	-	169,500	-
Office and miscellaneous	1,492	170	16,870	206
Professional fees	95,610	-	127,043	-
Share-based compensation	353,949	-	435,056	-
Impairment expense	668,750	-	668,750	-
NET AND COMPREHENSIVE LOSS	**(1,226,196)**	**(34,157)**	**(1,793,939)**	**(91,704)**
Loss per share, basic and diluted	**(0.04)**	**(0.00)**	**(0.06)**	**(0.01)**
Weighted average number of common shares outstanding – Basic and diluted	**28,777,333**	**13,415,868**	**28,566,263**	**7,984,730**
Cash flow used in operations activities	**(240,854)**	**(170)**	**(972,155)**	**(206)**
Cash flow used in investing activities	**(110,579)**	**-**	**(448,320)**	**-**
Cash flow used in financing activities	**-**	**1,638,500**	**-**	**1,638,500**

Three Months Ended September 30, 2024 and 2023

- Advertising and marketing fees consist primarily of services used to improve visibility for external investors. During the period, the Company incurred $15,000 of these costs compared to $nil in the comparable period. The increase was related to the costs incurred related to increased activity as the Company looks to further its business objectives.

- Consulting fees consists primarily of services used in corporate and operating activities. During the period, the Company engaged consultants to aid in carrying out business development services. During the period, the Company incurred $7,500 of these costs compared to $28,500 in the comparable period. The increase was related to the costs incurred related to increased activity as the Company looks to further its business objectives.

- Filing fees consists of costs incurred costs incurred for the share register management with the Company's transfer agent. During the period, the Company incurred $23,395 of these costs compared to $5,487 in the comparable period. The increase was related to the Company's initial listing on the CSE which occurred on October 31, 2024.

- Management fees consist of costs incurred related to the oversight and management of the Company. During the period, the Company incurred $58,500 of these costs compared to $nil in the comparable period. The costs are higher than the previous comparable period as the Company onboarded the CEO, Vice President of Exploration, and CFO after the comparable prior year period.

- Professional fees consist primarily of costs incurred for general corporate matters (i.e. legal, accounting and auditor fees). During the period, the Company incurred $95,610 of these costs compared to $nil in the comparable period. The increase was related primarily to increased activity within the business as the Company pursued its listing on the CSE as compared to the comparable prior period.

- Share-based compensation relates to stock options issued by the Company to certain directors and officers. The expense relates to the vesting of previously granted options. During the period, the Company incurred $353,949 of these costs compared to $nil in the prior period. This is due to the absence of granted stock options in the comparable prior period.

- Impairment expense of $668,750 relates to the write-down of the Zig-Zag project resultant from the settlement of the Volta Metals Ltd. claim made on April 4, 2024.

Nine Months Ended September 30, 2024 and 2023

- Advertising and marketing fees consist primarily of services used to improve visibility for external investors. During the period, the Company incurred $30,627 of these costs compared to $nil in the comparable period. The increase was related to the costs incurred related to increased activity as the Company looks to further its business objectives.

- Consulting fees consists primarily of services used in corporate and operating activities. During the period, the Company engaged consultants to aid in carrying out business development services. During the period, the Company incurred $181,500 of these costs compared to $85,500 in the comparable period. The increase was related to the costs incurred related to increased activity as the Company looks to further its business objectives and pursue its initial listing on the CSE.

- Exploration expense consists of costs incurred related to the KAP Project. The Company obtained legal title to the property on April 24, 2024 and had incurred exploration expenses of $47,688, previous to obtaining title. As a result, the Company had expensed these costs in accordance with the Company's accounting policies.

- Filing fees consists of costs incurred costs incurred for the share register management with the Company's transfer agent and corporate secretary services related to the initial listing on the CSE. During the period, the Company incurred $116,905 of these costs compared to $5,998 in the comparable period.

- Management fees consist of costs incurred related to the oversight and management of the Company. During the period, the Company incurred $169,500 of these costs compared to $nil in the comparable period. The costs are higher than the previous comparable period as the Company onboarded the CEO, Vice President of Exploration, and CFO after the comparable prior year period.

- Professional fees consist primarily of costs incurred for general corporate matters (i.e. legal, accounting and auditor fees). During the period, the Company incurred $127,043 of these costs compared to $nil in the comparable period. The increase was related to increased activity within the business as compared to the comparable prior period.

- Share-based compensation relates to stock options issued by the Company to certain directors and officers. The expense relates to the vesting of previously granted options. During the period, the Company incurred $435,056 of these costs compared to $nil in the prior period. This is due to the absence of granted stock options in the comparable prior period.

- Impairment expense of $668,750 relates to the write-down of the Zig-Zag project resultant from the settlement of the Volta Metals Ltd. claim made on April 4, 2024.

SUMMARY OF QUARTERLY RESULTS

	Quarter Ended September 30, 2024	Quarter Ended June 30, 2024	Quarter Ended March 31, 2024	Quarter Ended December 31, 2023	Quarter Ended September 30, 2023	Quarter Ended June 30, 2023	Quarter Ended March 31, 2023	Quarter Ended December 31, 2022
	$	$	$	$	$	$	$	$
REVENUE	-	-	-	-	-	-	-	-
NET LOSS AND COMPREHENSIVE LOSS	**(1,226,196)**	**(252,607)**	**(315,136)**	**(142,078)**	**(34,158)**	**(28,901)**	**(28,646)**	**(28,718)**
BASIC AND DILUTED LOSS PER SHARE	**(0.04)**	**(0.01)**	**(0.01)**	**(0.01)**	**(0.00)**	**(0.01)**	**(0.01)**	**(0.01)**

The results of operations in each quarter reflect the overhead costs incurred by the Company to pursue registration with various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, and financing activities of the Company. General and administrative costs can be expected to fluctuate in relation to the changes in activity levels required as property acquisition continues. The Company has not recorded, since the date of its incorporation, any revenues from its mineral exploration and development activities, nor does it expect to record any revenue over the course of the next 12 months.

An analysis of the results shows that the Company has incurred minimum expenses as the company is not operating and has no assets to develop currently.

EXPLORATION AND EVALUATION ASSETS

Currently, the Company has three mineral projects, with one being material to the Company: the KAP Property.

KAP Property

The KAP Property is located in the Mackenzie Mountains of the Northwest Territories, Canada. It lies approximately 160 kilometers west of Wrigley and 220 kilometers south of Norman Wells. The Kap Property is composed of six mineral claims covering an area of approximately 7,500 hectares, centered around UTM NAD 83 Zone 9N 607167mE and 7018574mN. The Kap Property consists of six active mineral claims, each 1,250 hectares in size, staked in February 2024. The mineral claims are currently fully owned by Integral Metals Corp, with no existing royalties. The KAP Property features Mississippi Valley Type (MVT) carbonate-hosted lead-zinc mineralization, predominantly in the form of sphalerite (ZnS) and galena (PbS). Gallium and germanium are also present, associated with the sphalerite. Mineralization occurs primarily in the Landry Formation, particularly within the Recrystallized Zone, which is characterized by granular dolomitization and quartz needle silicification.

The KAP Property is in the exploration stage, with recent work focused on digitizing historical data and modeling historical drill holes, gravity surveys, and soil geochemistry.

In 2024, the Company conducted a comprehensive exploration program from April to June, which included the digitization of historical data, 3D modeling of historical drill holes, re-analysis of drill cores, and geochemical sampling, as follows:

-Geophysical Surveys and Mapping: Historical gravity and soil geochemistry surveys were digitized and modeled, providing valuable insight into mineralization trends. The gravity data indicated several anomalies, particularly the "Grav_Main_3" anomaly, which is considered a high-priority drilling target.

-Fieldwork: Field verification included hand sampling and drill collar identification, with significant core recovery from historical drilling programs.

During this reporting period, the exploration team successfully confirmed the historical presence of sphalerite and associated gallium and germanium mineralization. The digitization and modeling of historical data laid the groundwork for future targeted drilling and exploration.

The exploration plan for the KAP Property, as outlined in the technical report on the Kap Property entitled “Technical Report on the KAP Property, Mackenzie Mountains, Northwest Territories, Canada” with an effective date of August 9, 2024 (the “Technical Report”), follows a phased approach designed to systematically assess the Kap Property's mineral potential. Phase 1 consists of a comprehensive soil geochemical survey to delineate anomalous zones and identify potential drill targets. The budget for Phase 1 is $285,922. Phase 2 involves a targeted diamond drilling program to extend known mineralized zones and test priority geophysical anomalies identified during Phase 1. The budget for Phase 2 is $2,694,235, bringing the total planned exploration budget to $2,980,157. This phased program aims to validate historical data, expand mineralization knowledge, and use modern techniques to uncover new targets.

As of September 30, 2024, the project is progressing in line with the exploration plan. Phase 1 planning has been completed, including the development of a detailed soil sampling plan. The soil geochemical survey is expected to commence once the snow melts on the Kap Property in 2025, marking the start of field activities for the next season. Importantly, the Kap Property successfully received its exploration permit, which covers Phase 2 activities.

Following the completion of the soil survey, if results from the first phase identify mineralization that justifies further exploration, Phase 2 drilling is planned for the summer of 2025. This drilling program is expected to focus on testing high-priority geochemical and geophysical anomalies, including the 'Grav_Main_3' anomaly identified during previous data modeling efforts.

As of September 30, 2024, total expenditures for the project stand at $189,080, incurred primarily during the planning and data preparation phases, of which $141,392 was capitalized under exploration and evaluation assets. These costs include digitizing historical data and conducting field verification, which will be used to develop a drill targeting model to be used in Phase 2.

For further information regarding the Kap Property, including further details regarding the historic and proposed exploration discussed above, such as sample, analytical and testing results, data verification measures and quality assurance/quality control measures, please see the Technical Report filed on the Company's SEDAR+ profile at www.sedarplus.ca on July 4, 2024.

LIQUIDITY

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company’s shareholders and may result in dilution to the value of such interests. The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had cash of $405,544 and total liabilities of $213,361.

Operating Activities

The Company used net cash of $972,155 in operating activities during the nine months ended September 30, 2024, compared to $206 used in the comparable period in the previous year. The cash used primarily related to management of the Company, which includes consulting, management fees, professional fees, filings fees incurred.

Investing Activities

The Company used net cash of $448,320 in investing activities during the nine months ended September 30, 2024, compared to $nil used in the comparable period in the previous year. During the nine months ended September 30, 2024, the Company paid $230,000 in cash towards the purchase of mineral property rights, $58,178 for exploration and evaluation advances, and $160,142 towards exploration and evaluation expenditures that were capitalized to exploration and evaluation assets.

Financing Activities

The Company did not receive any cash from financing activities during the nine months ended September 30, 2024 compared to $1,638,500 in the comparable period during 2023.

OFF-BALANCE SHEET ARRANGEMENTS

In accordance with a consulting agreement entered into with the Vice President of Exploration on November 15, 2023, the Company will be obligated to grant 200,000 restricted share units (“RSUs”) under the terms of the Company's share-based compensation plan, once implemented (implemented in May 2024). The RSUs shall vest as follows: 25,000 RSUs will vest on the date on which the shares are listed on a stock exchange; 25,000 RSUs will vest on the date on which the Company completes a field sampling and/or geophysical exploration program at the Company's material mineral property; 50,000 RSUs will vest on the date on which the Company completes an exploration drilling program at the project involving at least 2,000 meters of drilling; 50,000 RSUs will vest on the date on which the Company completes the acquisition of a second lithium-prospective property; and 50,000 RSUs will vest on the date on which the Company publicly files a NI 43-101 on the project, declaring a mineral resource estimate of 2 million tonnes or greater of lithium carbonate equivalent, calculated in accordance with customary industry calculation methodologies. As at September 30, 2024, the Company had not yet issued the 200,000 RSUs.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

The aggregate value of transactions related to key management personnel during the nine months ended September 30, 2024 and 2023 were as follows:

For the Nine Months Ended	September 30, 2024	September 30, 2023
	$	$
Consulting fees (to company controlled by a Director of the Company)	181,500	67,500
Corporate secretary fees (to company controlled by a Director of the Company)	87,277	-
Management fees (to company controlled by CEO)	67,500	-
Management fees (to company controlled by VP Exploration)	54,000	-
Management fees (to company controlled by CFO)	48,000	-
Exploration and evaluation expenditures (to company partially controlled by VP Exploration)	138,708	-
Share-based compensation (to directors and officers)	435,056	-
Total	**1,012,041**	**67,500**

As at September 30, 2024, $68,626 (December 31, 2023 - $24,660) was owing to key management personnel or companies controlled by director or key management personnel and the amounts were included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As at September 30, 2024, there was $4,504 (December 31, 2023 - $nil) outstanding in exploration and evaluation advances paid to a Company partially controlled by the VP of Exploration.

PROPOSED TRANSACTIONS AND SUBSEQUENT EVENTS

On October 31, 2024, the Company received final approval to list its common shares on the Canadian Securities Exchange (the "CSE"). The Company's common shares began trading on the CSE under the symbol "INTG" on October 31, 2024.

Subsequent to September 30, 2024, the Company settled the claim made by Volta Metals Ltd. on April 4, 2024 related to the Zig-Zag Project (see Note 4 of the Condensed Interim Financial Statements for the Nine Months ended September 30, 2024 and 2023). The claim was settled via sale of the Zig-Zag project for $350,000. As a result of the settlement, the Company adjusted the book value of the asset to reflect its fair value by recording a charge of $668,750 within the Condensed Interim Statement of Loss and Comprehensive Loss for the period ended September 30, 2024.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The details of the Company's accounting policies and estimates are presented in Notes 3 of the annual audited financial statements for the year ended December 31, 2023. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company had following securities outstanding, as of September 30, 2024 and as of the date of this MD&A:

	September 30, 2024	Date of this MD&A
Common shares	28,777,334	28,830,334
Share purchase warrants	22,343,334	22,343,334
Stock options	1,650,000	1,650,000
Total	**52,770,668**	**52,823,668**

FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Management's assessment of the Company's exposure to credit risk on its $405,544 (December 31, 2023 - $1,826,019) in cash is low as the Company's cash is held with a major Canadian financial institution.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at September 30, 2024, the Company's working capital is $656,954 (December 31, 2023 – $1,795,407) and it does not have any long-term monetary liabilities.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2024, the Company had cash of $405,544 (December 31, 2023 - $1,826,019) and total liabilities of $213,361 (December 31, 2023 - $55,704).

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and equity prices. The Company is currently not subject to market risk.

Fair values

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments consist of cash, other receivables and accounts payable and accrued liabilities, which are carried at amortized cost. The Company did not have any financial instruments carried at fair value. The carrying value of the Company's financial instruments approximate their fair values due to their short-term maturities. There were no financial assets or liabilities recorded at level 3 during the period ended.

During the period ended September 30, 2024, the Company acquired a 100% interest in in the ZigZag property (the "Property") from Reflex Advanced Material Corp. (the "Seller"). As part of the purchase consideration, the Company issued 1,000,000 common shares with a fair value of $600,000. In determining the fair value of the common shares, the Company determined that the fair value of the goods or services received from the Seller could be measured reliably using the cost approach. The Company was able to apply a cost approach by analyzing the costs previously incurred to date on the Property by the Seller as this best represented the replacement cost. As such, the fair value of the 1,000,000 common shares issued was determined to be $600,000. Subsequent to September 30, 2024, the Company settled the claim made by Volta Metals Ltd. on April 4, 2024 related to the Zig-Zag Project (see Note 4 of the Condensed Interim Financial Statements for the Nine Months ended September 30, 2024 and 2023). The claim was settled via sale of the Zig-Zag project for $350,000. As a result of the settlement, the Company adjusted the book value of the asset to reflect its fair value by recording a charge of $668,750 within the Condensed Interim Statement of Loss and Comprehensive Loss for the period ended September 30, 2024.

In assessing the fair value, management utilized the cost approach, as the income approach or market approach would not be appropriate given there are no proven resources, there is a high degree of uncertainty in regards to future cash flows and the timing thereof, and the lack of comparable transactions in the market. The cost of the Property was measured under level 3 of the fair value hierarchy utilizing the costs incurred to date by the Seller to initially acquire and perform preliminary exploration work on the Property. The prior acquisition and exploration costs represent the unobservable inputs in the transaction and are subject to a degree of judgement based on the value the Company was willing to pay for the Property compared to what the Seller was initially willing to pay and invest in the Property.

RISK FACTORS

Much of the information included in this MD&A 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 judgement 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

The Company is a mining exploration stage company. The ability of the Company to acquire additional strategic mining assets is dependent upon (but not limited to) market conditions, the ability of the Company's management team to obtain necessary financing to successfully complete an attractive acquisition on acceptable terms and funding necessary to execute development programs.

In conducting its business, the Company is subject to a number of other risks and uncertainties that could have a material adverse effect on the Company's business prospects or financial condition that could result in a delay or indefinite postponement in the development of the Company's future mineral interests.

Risks associated with exploration stage companies

Exploring for mineral resources involves a variety of operational, financial, and regulatory risks that are typical in the natural resource industry. The Company has not commenced commercial operations and has no proven history of performance, earnings, or success. There is no guarantee that the Company will ever be able to achieve profitable results or successfully execute its business plan. The Company's Common Shares must be considered speculative primarily due to the nature of the Company's business. The Company has no revenue or income from operations. The Company has limited capital resources and will rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions, and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of it equity or debt securities or joint venture agreements to raise capital. There can be no assurance that financing, whether equity or debt, will be available to the Company in the amount required by the Company at any particular time or for any period, and that such financing can be obtained on terms satisfactory to the Company.

Licenses and permits

The Company will require licenses and permits from various governmental authorities regarding any mineral interests acquired. 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 for its mineral interests. Failure to obtain and maintain such licenses and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration and development work which may result in its losing its interest in the subject property.

Operating hazards and risks

Fires, power outages, labour disputes, flooding explosions, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment, or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company, and may render the Company's properties uneconomic. The Company has no liability insurance and the Company may become subject to liability for pollution, cave-ins, or hazards against which it cannot insure, or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect of the Company's financial position.

Competition

The mining industry is intensely competitive and the Company must compete in all aspects of its operations with a substantial number of other corporations which have greater technical and financial resources. The Company may be unable to acquire attractive mining properties on terms it considers acceptable.

Profitability of operations

The Company does not have profitable operations at this time and it should be anticipated that it will operate at a loss until such time as production is achieved from any acquired mining assets, if production is in fact ever achieved. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Market risks

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. Mineral prices have fluctuated widely in recent years. The marketability and price of minerals which may be produced or acquired by the Company will be affected by numerous factors beyond the control of the Company. These factors include delivery uncertainties related to the proximity of its reserves to processing facilities, and extensive government regulation relating to price, taxes, royalties, allowable production land tenure, the import and export of minerals, and many other aspects of the mining business. Declines in mineral prices may have a negative effect of the Company.

Future financings

As the Company continues to acquire mining assets and starts to develop them, the Company may require additional funds to execute exploration and development programs and additional funds if the Company wishes to pursue commercial production. The Company's available sources of funds are: sale of equity capital. There is no assurance such sources will continue to be available on favorable terms or at all. If available, future equity financings may result in dilution to current shareholders.

Going concern

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its on-going commitments, further its mineral exploration program, and to commence profitable operations in the future.

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.

The Company has no operating history

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of losses

The Company has incurred losses since incorporation. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

Dependence on suppliers and skilled labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

Liquidity

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

Privacy

The Company and its consultants have access, in the course of their duties, to personal information of vendors of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients whether or not such a breach of privacy were to have occurred as a result of the Company or arm's length third parties. If a client's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

BOARD APPROVAL

The Board of the Company has approved this MD&A.