GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Expressed in Canadian Dollars)
(Audited)
FOR THE YEAR ENDED NOVEMBER 30, 2014

Dated: March 30, 2015

This management discussion and analysis of financial position and results of operations ("MD&A") is prepared as of March 30, 2015 and should be read in conjunction with the audited financial statements for the year ended November 30, 2014 of Gold Jubilee Capital Corp. ("Gold Jubilee" or the "Company") with the related notes thereto. These audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. Readers may also want to refer to the November 30, 2014 audited financial statements and the accompanying notes.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this report may constitute forward-looking statements that are subject to risks and uncertainties. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they were made.

In particular, forward looking comments regarding the Company's plans and operations included in the "Overall Performance" with respect to management's planned exploration and other activities, and in "Liquidity", "Commitment" and "Proposed Transaction" regarding management's estimated ability to fund its projected costs of exploration work and general corporate costs of operations, and its ability to raise additional funding through placement of the Company's common shares are plans and estimates of management only, and actual results and outcomes could be materially different.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

OVERALL PERFORMANCE

The Company is incorporated under the laws of the province of British Columbia, Canada on July 19, 2007 and its common shares are listed on the TSX Venture Exchange (the "Exchange") under the symbol "GJB". The Company's principal business activities include the acquisition and exploration of resource properties in Canada.

The Company has not yet determined whether its exploration and evaluation assets contain resources that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of reserves on these properties, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production from these reserves or sufficient proceeds from their disposal thereof. The Company has financed its operations primarily through the issuance of common shares and the Company continues to seek capital through various means including the issuance of equity and/or debt. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. These circumstances cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

Pyramid Copper Property, Canada

On May 22, 2013, the Company entered into an agreement to purchase 100% in 19 contiguous mineral claims covering 7,307 hectares, collectively known as the Pyramid Property, located in northern British Columbia, Canada. Per the terms of the agreement, during fiscal 2013, the Company paid $12,900 and issued 500,000 common shares, valued at $25,000, to the vendor. In connection to the acquisition, the Company also paid $1,125 for other acquisition costs.

The Pyramid Property has prospective geological and geochemical characteristics for hosting a copper-gold porphyry deposit as more particularly described in the technical report on the Property dated June 24, 2013 (the "Technical Report") which was filed under the Company's profile on SEDAR in connection with the regulatory approval of the agreement.

(Expressed in Canadian Dollars)

The Technical Report reports no mineral resources as defined by National Instrument 43-101 being presently defined on the Pyramid Property and as no historical exploration work having been done on the property. According to the Technical Report, the Pyramid Property is a viable early-stage porphyry copper-gold target given its prospective geological and geochemical characteristics.

Results from Pyramid:

Fiscal 2014:
The 2014 exploration program was designed to follow up on the widespread copper and gold anomalies outlined in the 2013 exploration program (see news release on 2014-01-15). The 2014 exploration program at Pyramid was highlighted by the continued discoveries of additional zones of widespread gold and copper soil and rock geochemical anomalies and a number of coincidental interpreted IP chargeability and resistivity anomalies

Soil sampling, rock sampling and geophysics have outlined three priority zones to date: the MT Zone, the Central Zone and the East Zone. The MT and East Zones were the focus for the 2014 geochemical program.

The East Zone (discovered in 2013) returned a number of encouraging rock sampling results, including sample 2689655 which returned 11.5 g/t Au, 7.0 g/t Ag and 805 ppm Cu, sample 2588452 which returned 4.6 g/t Au, 2.5 g/t Ag, and 746 ppm Cu, and sample 2689653 which returned 0.36% Cu.

At the MT zone, 2014 soil sampling defined a broad 2.5km^2 zone of coincident 95th percentile gold (>39.86 ppb) with soil values up to 4.2g/t Au and 95th percentile copper (>253.5 ppm) with soil values up to 1344 ppm Cu. Rock sampling in the area also returned encouraging results including sample 2689002 which returned 0.27 % Cu and 0.10 g/t Au, sample 2689008 which returned 0.29 % Cu, 0.18 g/t Au and 3.8 g/t Ag.

ROCKS	**Cu ppm**	**Au ppb**	**Ag ppm**	**Cu%**	**Au g/t**	**Ag g/t**
24						
Minimum	6.1	1.6	<0.1			
Maximum	3637	11529.7	7.0	0.36	11.5	7.0
SOILS	**Cu ppm**	**Au ppb**	**Ag ppm**	**Cu%**	**Au g/t**	**Ag g/t**
695						
Minimum	8.4	<0.5	<0.1			
Maximum	1344	4238.7	1.0	.13	4.23	1.0
SILTS	**Cu ppm**	**Au ppb**	**Ag ppm**	**Cu%**	**Au g/t**	**Ag g/t**
3						
Minimum	50.6	4.1	<0.1			
Maximum	288	10.5	0.1	0.028	0.01	0.1

The Company has contracted SJ Geophysics to complete a 32.3 line-km Volterra-3D IP survey that was designed to investigate two significant geochemical copper-gold anomalies at the MT and Central Zones, outlined from the 2013 exploration program. The purpose of this program was to identify if there are resistive and chargeable signatures associated with the geochemical anomalies of interest. A large interpreted chargeability anomaly (greater than 16 ms) was identified below a known geochemical target at the Central Zone (up to 976 ppm Cu and 0.223 g/t Au, averaging 359 ppm Cu). Additionally, the IP Program was expanded to include an area identified by XRF, which led to an interpreted chargeability feature being identified below the recently discovered gold-in-soils anomaly at the MT Zone.

(Expressed in Canadian Dollars)

The 2014 exploration program was successful in outlining new zones of copper and gold mineralization. Follow up rock sampling confirmed the 2013 soil program anomalies at the MT Zone and new sampling outlined encouraging (up to 11.5 g/t Au) rocks at the East Zone and encouraging (4.23 g/t Au) soils at the MT Zone. The 2014 Volterra 3D IP survey was successful in outlining interpreted chargeability and resistivity highs that are coincident with elevated copper and gold geochemistry at both the Central and MT Zones.

Based on the positive results from the 2014 exploration program, Gold Jubilee staked some additional claims to the west and to the north of the existing claim group. The Company is planning a follow up program for the 2015 field season.

Fiscal 2013:
The 2013 exploration program at Pyramid was highlighted by the discovery of widespread geochemical anomalies, defined as greater than 100 parts per million Copper and 30 parts per billion Gold. At least 5 distinctly anomalous zones were outlined and are characterized by elevated geochemical results and favorable geophysical results. Rock sampling returned encouraging Cu and Au grades. Soil and Silt sampling outlined a number of anomalous Cu and Au zones.

ROCKS	**Cu PPM**	**Au PPB**	**Ag PPM**	**Cu%**	**Au g/t**	**Ag g/t**
19 Samples						
Minimum	2.5	0.25	0.05			
Maximum	3095.1	1691.2	2.3	0.309	1.69	2.3
SOILS	**Cu PPM**	**Au PPB**	**Ag PPM**	**Cu%**	**Au g/t**	**Ag g/t**
1059 Samples						
Minimum	3.8	0.25	0.05			
Maximum	975.8	433.7	2.8	0.097	0.43	2.8
SILTS	**Cu PPM**	**Au PPB**	**Ag PPM**	**Cu%**	**Au g/t**	**Ag g/t**
93 Samples						
Minimum	27.4	0.25	0.05			
Maximum	284.6	530.6	1	0.028	0.53	1

Based on favorable first-pass exploration results, the company staked 3 additional tenures adjoining the existing Pyramid tenure. Tenure numbers 1025038, 1025044, and 1025047 were all acquired in January 2014.

Mr. George Cavey, P.Geo, has reviewed the exploration program summarized above and is the Company's "Qualified Person" with respect to the property for the purposes of NI 43-101.

(Expressed in Canadian Dollars)

SELECTED ANNUAL INFORMATION

		For the Year Ended November 30, 2014		For the Year Ended November 30, 2013		For the Year Ended November 30, 2012
Total revenues	$	Nil	$	Nil	$	Nil
Loss and comprehensive loss		380,690		241,560		109,089
Loss per share – basic and diluted		0.01		0.02		0.01
Total assets		884,430		837,402		247,280
Total long-term financial liabilities		Nil		Nil		Nil
Cash dividends declared per - share		Nil		Nil		Nil

RESULTS OF OPERATIONS

During the year ended November 30, 2014, the Company incurred a loss and comprehensive loss of $380,690 compared to $241,560 during the year ended November 30, 2013.

Significant expenses during the year ended November 30, 2014 include the followings:

- Office and miscellaneous of $60,744 (2013 - $5,029) increased primarily as a result of increase in operational activities.

- Professional fees of $90,852 (2013 - $65,444) increased mainly as a result of increase in accounting and legal fees.

- Rent of $51,000 (2013 - $7,500) increased as the Company began leasing an office space in September 2013.

During the three month period ended November 30, 2014, the Company incurred a loss and comprehensive loss of $90,377 (2013- $108,229), which was primarily attributable to professional fees of $22,396 (2013- $39,764), property investigation of $12,384 (2013- $18,818) and management fees of $7,500 (2013- $5,000).

The difference in net loss is for the three month period ended November 30, 2014 as compared to the three month period ended November 30, 2014 is significantly caused by a general exploration recovery of $nil (2013- recovery of $51,079) and share-based payments of $nil (2013 - $84,918).

(Expressed in Canadian Dollars)

SELECTED QUARTERLY INFORMATION

	4th Quarter Ended November 30, 2014	3rd Quarter Ended August 31, 2014	2nd Quarter Ended May 31, 2014	1st Quarter Ended February 28, 2014
Revenue	$Nil	$Nil	$Nil	$Nil
Loss and comprehensive loss	$90,377	$83,976	$124,240	$82,097
Loss per share – basic and diluted	$0.00	$0.00	$0.00	$0.00

	4th Quarter Ended November 30, 2013	3rd Quarter Ended August 31, 2013	2nd Quarter Ended May 31, 2013	1st Quarter Ended February 28, 2013
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss	$159,308	$ 34,849	$ 45,758	$ 1,645
Loss per share – basic and diluted	$0.02	$ 0.00	$ 0.00	$ 0.00

LIQUIDITY

The Company has not generated any revenue from operations and to date has relied entirely upon the sale, by way of private placement, of common shares and flow-through common shares to carry on its business (refer to "Capital Resources").

As at November 30, 2014, the Company had a cash balance of $70,186 (November 30, 2013 - $250,803) and cash equivalents of $Nil (2013 - $270,000) to settle current liabilities of $33,966 (November 30, 2013 - $51,423).

	November 30, 2014	November 30, 2013
Working Capital	$ 107,374	$ 509,483
Deficit	(1,005,663)	(624,943)

Net cash used in operating activities for the year ended November 30, 2014 was $432,698 compared to $141,177 for the year ended November 30, 2013, and consisted primarily of the operating loss adjusted for non cash items and changes in non-cash working capital items.

Net cash used in investing activities for the year ended November 30, 2014 was $193,094 compared to net cash used by investing activities of $305,850 for the year ended November 30, 2013. The change for the current period is mainly due to cash used for exploration and evaluation expenditures of $463,094 (2013- $237,471), acquisition of exploration and evaluation assets of $Nil (2013 - $14,025) and redemption of short-term investments of $270,000 (2013- purchase of $50,000).

Net cash provided by financing activities for the year ended November 30, 2014 was $445,175 compared to $695,000 for the year ended November 30, 2013, which mainly consisted of proceeds from shares issuance of $449,625 (2013- $700,000), deducted by share issuance costs of $4,450 (2013- $5,000).

The Company will continue to seek capital, as needed, through public markets by issuing common shares pursuant to private placements.

(Expressed in Canadian Dollars)

CAPITAL RESOURCES

During the year ended November 30, 2014, the Company:

a) completed first tranche private placements for the sale of 1,000,000 flow-through common shares at a price of $0.10 per share for gross proceeds of $100,000.

b) completed second tranche private placements for the sale of 2,525,000 common shares at $0.10 per share for gross proceeds of $252,500.

c) completed a private placement for the sale of 925,000 flow-through common shares at a price of $0.105 per common share for gross proceeds of $97,125.

In connection with the issuance of flow-through common shares in August 2013 and December 2013, the Company had a commitment to incur $400,000 of qualifying flow-through expenditures by December 31, 2014. As at November 30, 2014, the Company had fulfilled this commitment.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the year ended November 30, 2014, the Company entered into the following transactions with related parties, directors and key management personnel. Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include certain directors and officers.

Transactions with related parties and key management personnel are as follows:

Paid or accrued to	Nature of transactions		Year Ended November 30, 2014		Year Ended November 30, 2013
Key management personnel:					
Former directors of the Company	Director fees	$	-		30,000
A company controlled by a family member of the Corporate Secretary	Consulting		30,000		10,000
A company controlled by the President and CEO	Management		30,000		10,000
A company controlled by a Director	Geological consulting		40,811		10,000
Directors and officers of the Company	Share-based payments		-		74,426
Management and directors of the Company	Office & misc.		33,189		-
Total		$	134,000	$	134,426
Related parties:					
A firm of which a Director is the partner	Professional	$	69,050	$	24,000
A family member of a Director	Geological consulting		43,242		7,500
Total		$	112,292	$	31,500

The amounts due to a related party included in accounts payable and accrued liabilities are as follows:

		November 30, 2014		November 30, 2013
Due to a firm of which the Director is a partner	$	23,335	$	24,000

During the year ended November 30, 2014, the Company advanced $2,500 to a family member of a director for consulting and exploration related expenses.

During the year ended November 30, 2013, the Company paid advances to a family member of the Director for a total of $4,354, net of $5,500 advance payment and $1,146 travel expense reimbursement. Subsequent to the year ended November 30, 2013, $3,000 of the advance payment was repaid to the Company.

(Expressed in Canadian Dollars)

Advance payments to related parties are included in prepaid expenses, deposits and advances in the statements of financial position.

The amounts due from related parties included in receivables are as follows:

	November 30, 2014	November 30, 2013
Due from the Corporate Secretary	$ 300	$ -
Due from a family member of a Director	20	-
Due from the President and CEO	1,014	-
Due from a company controlled by a Director	169	-
Total	$ 1,503	$ -

These transactions are in the normal course of operations and are measured at the exchange amount that is the amount of consideration established and agreed by the related parties. Management believes the rates set are within industry standard ranges. The amount owing to a related party is non-interest bearing and unsecured.

CHANGES IN ACCOUNTING POLICIES

New accounting standards and amendments to existing standards

New and amended standards adopted by the Company

The application of these amendments and standards had no material impact on current and prior year disclosures but may affect disclosures for future transactions.

a) Amendments to IFRS 7, Financial Instruments: Disclosures, to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation. This standard is effective for years beginning on or after January 1, 2013.

b) New standard IFRS 10, Consolidated Financial Statements, replaces the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial statements, and SIC-12, Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control under IFRS so that the same criteria are applied to all entities to determine control. This standard is effective for years beginning on or after January 1, 2018.

c) New standard IFRS 11, Joint arrangements, requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for joint operations, the venturer will recognize its share of assets, liabilities, revenue and expenses of the joint operations. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non-monetary Contributions by Venturers. This standard is effective for years beginning on or after January 1, 2013.

d) New standard IFRS 12, Disclosure of Interests in Other Entities, provides the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and consolidated structured entities. This standard is effective for years beginning on or after January 1, 2013.

e) New standard IFRS 13, Fair Value Measurement, defines fair value and sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The standard does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). This standard is effective for years beginning on or after January 1, 2013.

f) Reissued IAS 27, Separate Financial Statements, requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments. This standard is effective for years beginning on or after January 1, 2013.

g) Reissued IAS 28, Investment in Associates and Joint Ventures, supersedes IAS 28 Investments in Associates and defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. This standard is effective for years beginning on or after January 1, 2013.

New accounting standards and amendments to existing standards

<u>New or revised standards and amendments to existing standards not yet effective</u>

The Company has not applied the following new, revised and amended standards that have been issued but are not yet effective for the November 30, 2014 reporting period:

h) New standard IFRS 9, Financial Instruments, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for years beginning on or after January 1, 2015.

i) Amendments to IAS 32 - Financial Instruments: Presentation amendment provides clarification on the application of offsetting rules. This standard becomes effective for annual periods beginning on or after January 1, 2014.

j) Amendments to IAS 36 – Impairment of Assets, clarifies the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

k) Amendments to IAS 24 - The amendments to IAS 24 clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014. The Company is currently evaluation the impact the final standard is expected to have on its financial statements.

l) The IASB issued IFRIC 21 – Levies ("IFRIC 21"), an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("Obligating Event"). IFRIC 21 clarifies that the Obligating Event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

m) Amendments to IFRS 2- *Share based payment*. The amendment clarifies vesting conditions by separately defining a performance condition and a service condition, both of which were previously incorporated within the definition of a vesting condition. The amendment is effective for share based payment transactions for which the grant date is on or after July 1, 2014. The Corporation is in the process of determining the impact of the amendment of IFRS 2 on its financial statements.

The Company is currently assessing the impact that these standards will have on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period. The amendments and new standards are expected to have minimal impact on the Company's financial statements.

New accounting pronouncements

There were no new accounting standards or pronouncements that had a material impact on the Company's financial statements.

FINANCIAL AND CAPITAL RISK MANAGEMENT

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 described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company has various financial instruments including cash, short-term investment, receivables and accounts payable and accrued liabilities. Short-term investments are carried at fair value using a level 1 fair value measurement. The carrying values of cash, receivables and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments.

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

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of goods and services tax (GST), which is recoverable from the governing body in Canada.

(Expressed in Canadian Dollars)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2014, the Company had a cash balance of $70,186 (November 30, 2013 – $250,803) to settle current liabilities of $33,966 (November 30, 2013 – $51,423). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited as its interest bearing financial instrument is redeemable at any time.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

Foreign currency risk

As at November 30, 2014 and 2013, the Company did not have any accounts in foreign currencies and considered foreign currency risk insignificant.

OTHER MD&A REQUIREMENTS

Outstanding share data

As at the date of this MD&A, the Company has 27,350,000 common shares issued and outstanding and has the following stock options outstanding:

	Number		Exercise Price	Expiry Date
Stock options	1,800,000	$	0.10	September 17, 2018
	250,000		0.10	November 1, 2018
	2,050,000			

Additional Disclosure for Junior Issuers

The Company has allocated sufficient funds from the net proceeds of the financings to cover the estimated general and administrative expenses after which time the Company will require additional funds to satisfy its ongoing expenses. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. See "Risks and Uncertainties" below.

Risks and Uncertainties

Mineral exploration is subject to a high degree of risk, which evens a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will have sufficient financial resources to undertake its planned exploration programs for the ensuing year, it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the current lack of any market for the Company's securities and the present intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. 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 its early stage of operations.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to the information available on the Company's SEDAR website at **www.sedar.com**.