

NEWBRIDGE CAPITAL INC.

Management's Discussion & Analysis

Six Months Ended September 30, 2011

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The effective date of this MD&A is November 28, 2011

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Newbridge Capital Inc. (the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the six months ended September 30, 2011. This MD&A was written to comply with the requirements of National Instrument 51-102 Continuous Disclosure Obligations.

This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended March 31, 2011, as well as the unaudited condensed consolidated interim financial statements for the six months ended September 30, 2011, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included.

The results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at this date, unless otherwise indicated.

As of April 1, 2010, the Company adopted International Financial Reporting Standards ("IFRS"). The condensed consolidated unaudited interim financial statements for the three months ended June 30, 2011, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and using accounting policies consistent with IFRS. Readers of this MD&A should refer to "Change in Accounting Policies" below for a discussion of IFRS and its effect on the Company's financial presentation.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors.

Additional information regarding the Company can be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Description of Business

The Company was incorporated under the Business Corporations Act of British Columbia on September 12, 2005 and was initially classified as a Capital Pool Company ("CPC") as defined by Policy 2.4 of the TSX Venture Exchange (the "TSX").

On March 12, 2010, the Company completed its Qualifying Transaction ("QT") as defined by the policies of the TSX and emerged from being a CPC to a Tier 2 listed mining issuer on the TSX.

Overall Performance

During the six months ended September 30, 2011, the Company completed and filed the assessment report on the Treadwell property. The titles making up the Treadwell Property are in good standing until dates ranging from Oct 15, 2013 to October 15, 2018. An equity financing will be required to proceed to the next phase of exploration. Management is continuing to review its options in this regard as well as to

search for other projects to acquire. Please refer to the Treadwell Property section below for full details of the Phase 1 drill program and results.

Treadwell Property

The road accessible Treadwell Property is located 28 km (17.5 miles) northwest of the city of Kamloops on Cannell Creek at the southern edge of the Tranquille Plateau, British Columbia. Access is easily gained by a main logging road that runs northwesterly through the property. A two-wheel drive vehicle is quite adequate for the main road. However, parts of the property are accessible by older logging and mining roads where four-wheel drive is necessary. The Property is found within the Thompson Plateau, which is a physiographic unit of the Interior Plateau System. The Thompson Plateau consists of gently rolling upland of low relief for the most part. On the Treadwell Property the elevations vary from 1130 meters (3700 feet) at the southeastern edge of the property to 1,550 meters (5,100 feet) within the northwestern corner. Steep to moderate slopes to gently rolling hills with variable soil cover blanket much of the property. The steep slopes occur mostly along Cannell Creek and its tributaries. The main water sources are Cannell Creek with its tributaries, which flow easterly and southeasterly through the southern portion of the claims. Tree cover is generally that of open forest, with some grasslands as well as some thick second growth. Parts of the property have been logged. Glaciers occupied the Thompson Plateau and thus much of the claim area is covered by glacial drift, which can become quite deep over the flatter areas.

During the early 1900's prospectors looking for the source of the placer gold found in the Tranquille River discovered large (2 meter square) blocks of silicified feldspar porphyry carrying sulphides that assayed up to 1.42 ounces gold per ton in one of its tributaries, Cannell Creek. This discovery became known as the "Allies Showing". The first recorded work on the property was noted in 1924 when considerable prospecting and trenching was undertaken. From 1933 – 34 an extensive program of underground exploration was carried out towards the west and southwest of the original discovery area. At least three shafts and five adits totaling approximately 900 linear feet (275 meters) were driven at several locations. Although they tunneled through several occurrences of porphyry material in place which was similar to that found at the original shaft (No. 1 shaft), the source of the high-grade material was not found. The property was dormant until 1968 when some limited trenching was done on the original showing.

In 1996, Dr. Franco Oboni, PhD, was commissioned to conduct a study of the surficial rock movement around the area of the mineralized boulder field. Dr. Oboni determined that the mineralized boulders found on the original showing, would have come from the area to the north and/or northwest of the boulder field.

Some samples, which were taken from float in Cannell Creek during the early summer of 2004, returned high-grade gold values of up to 3 ounces per tonne and copper values in excess of 0.2 percent.

Since previous exploration work appears to have been focused on the original showing (i.e. the mineralized boulder field) or to the south, the west and the southwestern areas of the original showing, it was decided to investigate the area to the north of the original showing by conducting an IP survey over a limited area. Survey lines were cut out and the IP survey was carried out in November, 2004 and consisted of 2,460 meters along four survey lines.

Positive results were obtained and the IP survey was continued in 2005 consisting of 6,120 meters along six additional lines to give a total of 8,580 meters along ten lines. In addition, 52 MMI soil samples were picked up every 60 meters along lines 3300E (now 3500E, see Survey Procedure), 4500E and 4600E. During the past two years, Treadwell undertook mobile metal ion (MMI) soil geochemical sampling in two areas of the property. The MMI soil results from the initial exploration program are encouraging, as there are two large areas (1 kilometer square on the North Grid and 900 metres long by 500 metres wide on the South Grid) of weakly to strongly anomalous copper-in-soil, molybdenum-in-soil and silver-in-soil results. These multi element anomalies could be representing the surface expression of buried porphyry copper –

molybdenum mineralization. Exploration expenditures incurred by Treadwell during the prior two year period (2008, 2009) total approximately \$110,000. These prior expenditures are unaudited.

2010 Exploration Program

In June 2010, an additional IP survey was conducted over sections of the Treadwell property to further identify the drill targets. Subsequent to this, a notice of work and reclamation was submitted to British Columbia Ministry of Energy, Mines and Petroleum Resources and a permit to drill test some of the many gold stockwork and Afton style porphyry copper-gold targets on the Treadwell property was received.

The Phase 1 diamond drilling program was completed in mid-November 2010. Eight holes totaling 1125.3 metres were drilled.

The first two holes were drilled into a combination of IP and MMI soil anomalies to test for 'Afton style' porphyry copper targets. Neither hole intersected mineralization, ending in basaltic cover rocks determined to be over 700 feet thick. No geochemical sampling was completed for the first two holes.

The remaining six holes tested two out of three gold targets in the historic Allies part of the property. Due to reported poor recovery of the historic drilling, sludge samples were also taken of most holes in this phase. The core was delivered from the drill site to a secure core processing facility in Kamloops B.C. Employees of Renaissance Geoscience Services Inc. of Kamloops B.C. analyzed the samples for recovery, magnetic susceptibility and conductivity. In addition, the samples were digitally imaged and geologically logged. The sections of core chosen to be sampled were either split with a manual core splitter, or, if considered competent enough, cut with a 12 inch core saw. All holes were sampled and analyzed at Ecotech Laboratory Ltd. in Kamloops B.C. for gold (Fire assay AA finish) and 34 element ICPMS finish. Field standards and blanks were inserted approximately every 23 samples. The field standard used was CU130 from WCM Minerals Ltd. of Vancouver, B.C.

Hole TA10-03 was designed to "twin" hole 86-01 at the Dodd's showing 900 metres south of the Allies showing and was collared 4 metres west, drilled 5 degrees deeper and 5 degrees to the right (west) of hole 86-01. Hole 86-01 intersected from 109 to 110 m reporting 0.85 g/t gold, from 116 to 116.7 m grading 0.960 g/t gold and from 123 to 125 metres grading 1.3 g/t gold. These intervals were within a larger interval from 107 to 128 metres reporting additional gold values ranging from trace to 0.55 g/t gold. Analyses for other elements were not performed.

Hole TA10-03 intersected a large shear zone hosting strongly sheared and variably sulphide mineralized ultramafic picrite and Nicola augite porphyry basalts with minor intercalated Kamloops Group volcanics. This hole intersected from 107.1 m to 113.45 m, 0.762 g/t gold including 1.25g/t gold from 108.51 to 110.03 metres. An average core angle of 15 degrees infers a true thickness of less than one and a half metres for this interval.

A second interval from 126.8 to 147.4 m grading from trace to 0.4 g/t over greater than 1 meter was intersected. Shear angles within this interval were at higher core axis angles. The same intervals of core reporting gold were also highly anomalous for mercury and moderately anomalous for silver and arsenic. Copper, iron, molybdenum, and sulphur were weakly anomalous along with elevated cadmium, potassium, tellurium. Calcium, chromium, nickel and strontium levels were lower than average.

In conclusion gold values were very similar to the values obtained in 1986, although the interval reporting gold in hole TA-10-03 was larger with upper and lower sections of higher values than seen in hole 86-01 which had a single long interval that began lower down and ended higher up than the intersections in hole TA10-03. The highly anomalous and more widespread arsenic and mercury with weaker antimony values is a very encouraging indication that these holes intersected part of a large and potentially much better gold mineralized structure along strike and more importantly at depth. Analytical results of the sludge samples also indicated gold and related indicator elements in slightly lower quantities than the core.

Holes TA10-04 to 08 were drilled under the gold bearing subcrop material at the Main or Allies showing. All previous trenching and drilling has failed to encounter a bedrock source of the mineralized 'porphyry'. The current drilling, which tested directly under rock hosting the mineralization, revealed that directly under Cannel Creek (and the showings) is a major steeply dipping northwest striking fault with a deep accumulation of Kamloops Group felsic angular fragmental volcanics underlying the later Miocene basalt northeast of the creek. Included in the fragmentals are innumerable pyrite mineralized angular silicified feldspar porphyry fragments that appear to be similar to the porphyry at the Allies showing. However they do not appear to carry any gold or other indicator elements. The fragmental appears to be compositionally similar to the much finer grained subaqueous appearing tuff found in hole TA10-02, approximately 400 metres north. The picrite-augite porphyry package underlying the southwest side of the creek has been intruded by several Kamloops Group tertiary dykes. Most dykes host minor pyrite mineralization. However, no intercepts returned any gold or indicator element values. The accumulation of mineralized felsic feldspar porphyry found on surface appears to be a partially exposed and frost fractured portion of an otherwise eroded and at depth faulted remnant of a probably much larger flow-dome body. The felsic intrusive intersected at depth although approaching the alteration and visual mineralization found at surface are obviously not the source of the mineralization at that location.

The Southwest Showing, 500 metres west of the Allies showing, and the many gold showings in Watching Creek area several kilometers to the east were not tested by this program. Both targets host one or more > 1 g/t gold intersections in historical drill holes. Newbridge Management is reviewing the results to determine the direction of future exploration expenditures on the property which will require additional financing and may include further geophysics being done prior to the next phase of drilling. The Company has filed completed work assessments to maintain property lease status.

2011 Exploration Program

After filing the assessment report with the British Columbia government in May 2011, the titles making up the Treadwell Property are in good standing until dates ranging from Oct 15, 2013 to October 15, 2018. No exploration work was performed during the six months ended September 30, 2011. The next phase of exploration will require the Company to complete an equity financing. Management is currently reviewing all available options.

Financing Activities During The Six Months Ended September 30, 2011

During the six months ended September 30, 2011, 300,000 common shares were issued upon the exercise of 300,000 incentive stock options for gross proceeds of \$49,500.

Summary of Quarterly Results

The following table sets forth a comparison of revenues and earnings for the previous eight quarters:

Basis of Preparation	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	GAAP	GAAP
Quarter	2012 Second	2012 First	2011 Fourth	2011 Third	2011 Second	2011 First	2010 Fourth	2010 Third
Revenue	-	-	-	-	-	-	-	-
Capital Exp	-	-	-	-	-	-	-	-
Net Loss	(37,372)	(19,066)	(775)	(21,691)	(80,583)	(17,182)	(55,035)	(53,651)
Net Loss per Share	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)	(0.02)	(0.02)

Financial Results of Operations – Second Quarter Ended September 30, 2011

During the three months ended September 30, 2011, the Company incurred a net loss of \$37,372 compared to \$80,583 in the previous year. This amount was made up entirely of administrative expenses as in the previous year.

Expenses for the three months ended September 30, 2011 were consistent with the same period of the previous year except for insurance, professional fees and stock-based compensation expense. Insurance costs which were \$2,151 compared to \$Nil in the same period of the previous year. The Company purchased a Directors and Officers liability policy in September 2010 so the current year included a full three months of costs as compared to less than one month's cost in the previous year. Professional fees were higher mainly due to fees paid to a consultant for the conversion of the financial statements to IFRS.

Cash used in operations during the three months ended September 30, 2011 was \$29,396 compared to \$45,077 in the previous year. The decrease was mainly due to the D&O insurance that was purchased and charged to prepaid expenses in the prior year. Cash provided by financing activities was \$16,500 during the three months ended September 30, 2011 compared to \$Nil during the previous year. The entire amount was received upon the exercise of incentive stock options.

Liquidity and Capital Resources

As at September 30, 2011, the Company had a working capital deficit of \$12,602 (March 31, 2011 - \$922) including cash and cash equivalents of \$3,485 (March 31, 2011 - \$39,964), accounts receivable of \$4,670 (March 31, 2011 - \$4,020), prepaid expenses of \$Nil (March 31, 2011 - \$3,726) and current liabilities of \$20,757 (March 31, 2011 - \$46,788). Subsequent to September 30, 2011 a shareholder advanced a \$50,000.00 unsecured demand loan to the Company at an interest rate of 6% simple interest, for working capital purposes.

The Company does not have enough funds to finance the next year of operations but expects to obtain financing in the future primarily through further equity and/or debt financing. There can be no assurance that the Company will succeed in obtaining financing in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

Credit Facilities

The Company has no credit facility outstanding as at September 30, 2011.

Contractual Obligations

On March 1, 2010, the Company entered into an agreement with New Dawn Holdings Ltd. Under the terms of the agreement the Company pays the sum of \$4,000 per month for CFO and administrative services, \$1,000 per month for rent and reimburses direct office expenses. The agreement is on a month to month basis and may be terminated by either party with 30 days notice.

Off Balance Sheet Arrangements

As at September 30, 2011, the Company had no off-balance sheet arrangements.

Proposed Transaction

There are currently no proposed transactions, except as otherwise disclosed in this MD&A. Confidentiality agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and or development of certain properties.

Subsequent Event

Subsequent to September 30, 2011, the Company received a \$50,000 demand loan. The loan is unsecured, payable on demand and pays interest of 6% per annum. These funds will provide the necessary working capital needed to maintain the Company in good standing until an equity financing is completed.

Related Party Transactions

There were no related party transactions during the six months ended September 30, 2011. During the six months ended September 30, 2010, administrative services of \$24,000 and rent of \$6,000 were paid to a company in which the former Vice-President was an officer.

The above transaction, occurring in the normal course of operations, are measured at the exchange amount, which is the consideration established and agreed to by the related parties and are on terms and conditions similar to non-related parties.

Outstanding Share Data

Common shares outstanding

	Number of Shares
Issued and outstanding	8,350,000
Warrants outstanding	4,950,000
Stock options outstanding	100,000
Fully diluted at November 28, 2011	13,400,000

The first 1,100,000 shares issued to founders were subject to an escrow agreement. Pursuant to the escrow agreement, 10% of the escrowed shares were released upon receipt of the Final Exchange Bulletin (the "Initial Release") issued by the TSX signifying the acceptance of a "qualifying transaction" and 15% will be released every six months thereafter for a period of thirty-six months. The balance of shares held in escrow at September 30, 2011 was 495,000.

Stock Options Outstanding

On August 1, 2010, 95,821 options expired unexercised. On August 24, 2010, 400,000 incentive stock options priced at \$0.165 were granted to the directors of the Company with an exercise price of \$0.165 and an expiry date of August 24, 2015. In April 2011, 200,000 incentive stock options were exercised leaving an outstanding balance of 200,000 at \$0.165 per incentive stock option. In August 2011, an additional 100,000 incentive stock options were exercised leaving an outstanding balance of 100,000 at \$0.165 per incentive stock option.

Financial Instruments and Other Instruments

As at September 30, 2011, the Company's financial instruments consist of cash and accounts payable. The Company is not exposed to derivative financial instruments. It is management's opinion that the Company is not exposed to significant interest and currency risks arising from its financial instruments and their fair values approximate their carrying values. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with high credit quality financial institutions.

Critical Accounting Policies and Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim financial statements within the next financial year are discussed below:

i) Rehabilitation Provisions

Asset retirement obligation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market conditions at the time of the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently estimated.

ii) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

iii) Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

iv) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same table entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

v) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrumented granted, measured at the repurchase date. Any such excess is recognized as an expense.

First Time Adoption of International Financial Reporting Standards

The Company's consolidated financial statements for the year ending March 31, 2012 will be the first annual financial statements to be prepared in accordance with IFRS. IFRS 1, First Time Adoption of International Financial Reporting Standards, requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was April 1, 2010 (the "Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Company will be March 31, 2012.

Prior to transition to IFRS, the Company prepared its financial statements in accordance with pre-changeover Canadian Generally Accepted Accounting Principles ("pre-changeover Canadian GAAP").

However, it also provides for certain optional exemptions and certain mandatory exceptions for first time IFRS adoption. In preparing the Company's opening IFRS financial statements, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with pre-changeover Canadian GAAP.

No mandatory exceptions were applied.

Four optional exemptions were applied.

IFRS 1 First-Time Adoption of International Financial Reporting Standards allows first time adopters certain exemptions from the retrospective application of certain IFRS.

The Company applied the following exemptions:

Deemed costs

At the transition date, the Company elected to continue with the policy of measuring mineral property costs at the previous Canadian GAAP historical cost.

Share-based Payment Transactions

The exemption directs that a first-time adopter is encouraged, but not required, to apply IFRS 2 Share-based payment transactions to equity instruments that were granted on or before November 7, 2002. This exemption has been taken, since it restricts the time period for share-based payment review to November 7, 2002 forward.

Under a second exemption, options granted subsequent to November 7, 2002 which vested prior to the transition date require no further review. The Company has elected not to retrospectively apply IFRS 2 to equity instruments that were granted and had vested before the Transition Date. As a result of applying this exemption, the Company will apply the provisions of IFRS 2 only to all outstanding equity instruments that are unvested as at the Transition Date to IFRS.

Options unvested at the transition date would be subject to review. At the transition date, the Company had unvested options. However the Company expensed the unvested portion of these options prior to the transition date. No adjustment is required upon transition.

Extinguishing Financial Liabilities with Equity Instruments

IFRIC 19 provides guidance on how an entity should account for such transactions in accordance with IAS 39 Financial Instruments: Recognition and Measurement and IAS 32 Financial Instruments: Presentation. A first-time adopter may apply the transitional provisions in IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments for such transactions occurring prior to the Transition date.

Cumulative Translation Differences

The exemption directs that cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to IFRS: and the gain or loss on a subsequent disposal of any foreign operation shall exclude translation differences that arose before the date of transition to IFRS and shall include later translations differences. Taking the exemption is precautionary in nature. Any potential subsequent re-interpretation of the functional currency of the company will be limited retroactively to the date of transition.

The reader of this MD&A should refer to Note 15 of the unaudited Consolidated Financial Statements for the Three and Six Months ended September 30, 2011 that includes detailed reconciliation statements for the applicable periods.

Risks and Uncertainties

The Company's principal activity is mineral exploration. As such, the Company is exposed to a number of risks, including the financial risks associated with the fact that it has no operating cash flow and must access the capital markets to finance its activities. There can be no assurances the Company will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs.

Other risks include, but are not limited to, environmental, fluctuating metal prices, political and economical. Additionally, few exploration projects successfully achieve development due to factors that

cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The Company has a small management team and the loss of a key individual or the inability to attract suitably qualified personnel in the future could materially and adversely affect the Company's business.

Although the Company has taken steps to verify the title to its mineral property, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves. The Company's mineral properties are in the exploration stage only, and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties the Company may be subject to.

The Company will be subject to normal market risks including fluctuations in foreign exchange rates. While the Company expects to manage its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

Forward Looking Statements

This report contains forward-looking statements which reflect management's expectations regarding the Company's future plans and intentions, results of operations, performance and business prospects and opportunities. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", "estimates", "predicts" and similar expressions have been used to describe these forward-looking statements. These statements reflect management's current beliefs and are based on the information currently available to management. Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, risks associated with identifying, evaluating, negotiating and financing mineral properties, as well as changes in general economic, political and market conditions and other risk factors. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, as no assurances can be given as to future results, levels of activity or achievements.