Copperbank Resources Corp.

Management Discussion and Analysis

Nine months ended September 30, 2016

Background

The following discussion and analysis of Copperbank Resources Corp. (the "Company" or "Copperbank") for the nine months ended September 30, 2016, is prepared as of November 28, 2016 and should be read together with the condensed consolidated interim financial statements for the same period and related notes attached thereto, which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") along with the financial statements and the MD&A for the most recent year ended December 31, 2015. All amounts are stated in Canadian dollar unless otherwise indicated.

Certain statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information of the Company is available on SEDAR at www.sedar.com.

Description of Business

Copperbank was incorporated on October 21, 2014 under the Business Corporation Act (British Columbia), whereby 0999279 B.C. Ltd. ("0999279"), 1016077 B.C. Ltd. ("Full Metal"), and Choice Gold Corp. ("Choice Gold"), were amalgamated as one company (the "Transaction"). The legal existence of Choice Gold and Full Metal ceased however, 0999279 survived the amalgamation continued under the name Copperbank Resources Corp.

The Company's head office and principal address is Suite 2706 - 1011 West Cordova Street, Vancouver, BC, V6B 0C2. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "CBK" and its principal business is the acquisition and development of mineral properties. All of the Company's resource properties are located in the U.S.A. and are still in their exploration stages.

The underlying value of the Company's resource properties are entirely dependent on the existence of economically recoverable reserves, on the ability of the Company to obtain the necessary financing to complete development, and upon future profitable production.

Outlook

In the current capital market and with the current metal price environment, it is difficult for the Company to raise enough money to conduct further exploration. During the nine months ended September 30, 2016, the Company completed a private placement for the issuance of 7,500,000 common shares for the gross proceeds of $300,000. In addition, the Company issued 2,328,340 common shares to settle payables to the Company's CEO, CFO, and its executive chairman.

The Company may need to raise addition funding for acquisition of new resource properties or to finance its operations in the next twelve months. The Company has a history of raising funding when needed in the past, however there is no guarantee that the Company can do so in the future.

As a result, management will keep the operating activities low to preserve its liquidity in order to wait for the improvement of metal prices and capital markets that provide a better environment for raising further financing.

Subsequent Events

Subsequent to the period ended September 30, 2016, the Company issued 1,000,000 common shares at $0.10/share to settle accounts payable of $100,000 owing to the Company's CFO and Executive Chairman.

On November 23, 2016, the Company reached an agreement with the optionor of the Pyramid property ("TAC"), to extinguish $135,000 (US$100,000) of obligations, including $78,000 (US$60,000) charges already accrued plus $57,000 (US$40,000) future obligations in exchange for the issuance of 1,687,500 common shares.

Exploration Properties Overview

As at September 30, 2016, the Company held the Pyramid Project in southwest Alaska situated on Native-land and which hosts an initial inferred copper resource with excellent exploration upside. The Company also had the Contact Project in Nevada that hosts a copper resource with a recent, positive prefeasibility study.

Impairment of the exploration properties

During the year ended December 31, 2015, the Company's did not make plans to conduct exploration over the near term. Management believes indicators of impairment may exist, leading to a test of the recoverable amount at the Contact property. The Company estimated the recoverable amount to be $nil as at December 31, 2015, and accordingly, wrote down the carrying value of this property to $Nil. The Company will continue paying annual costs of this property with the aim of keeping title in good standing.

Management is of the opinion that the Contact Property will bring value to the Company once the price of copper recovers.

Update

There were no changes with respects to ownership as well as title to technical data related to the Company's Contact and Pyramid projects since its most recent year end of December 31, 2015.

The Company plans to maintain the exploration properties for their potential. Increased activity would occur on the properties with improved market conditions in conjunction with the Company having sufficient funding from the capital markets, or through other means, including but not limited to joint ventures or partial sales, to continue exploration.

During the nine months ended September 30, 2016, there were no exploration charges incurred except the necessary fees and charges for the maintenance of Company's ownership of these two properties.

Continuity of the resource properties as at September 30, 2016:

	Pyramid	Contact	Other	Total
	$	$	$	$
Balance, December 31, 2014	4,001,208	7,442,877	254,635	7,697,512
Annual option fees	149,154	-	-	-
Annual renewal	-	43,416	-	43,416
Effect of change in foreign exchange	-	762,831	26,098	788,929
Provision for impairment	-	(8,249,124)	(280,733)	(8,529,857)
Balance, December 31, 2015	4,150,362	-	-	-
Annual option fees/lease/maintenance	238,735	-	-	-
Balance, September 30, 2016	4,389,097	-	-	-

Summary of Quarterly Results

All of the resource properties of the Company are in their exploration stages. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating result is not seasonal in nature and has been mainly related to the amount of exploration activities in such quarter. The Company's quarterly performance in the latest eight quarters are as follows:

Quarter ended	2016			2015				2014
	$	$	$	$	$	$	$	$
	30-Sept	30-Jun	31-Mar	31-Dec	30-Sep	30-June	31-Mar	31-Dec
Revenues	-	-	-	-	-	-	-	-
Net Loss	179,523	256,062	133,404	375,000	8,444,296	197,968	101,544	3,200,345
Loss per share (i)	0.00	0.00	0.00	0.00	0.06	0.00	0.00	0.06

(i) loss per share - basic and diluted

The Company's quarterly historical results were not subject to seasonality. These quarterly results were affected by following incidental events:

- Loss during quarter ended December 31, 2014 was about $3.2 million. The Company incurred a onetime transaction cost and reorganization cost of $$2.7 million in connection with the Company's amalgamation.
- Loss during the quarter ended September 30, 2015 was $8.4 million. The Company incurred impairment charges of $8.2 million in connection with its Contact Property and various grass-root stage properties during this quarter
- Loss during quarter ended December 31, 2015 was about $375,000. The Company incurred an impairment charge of $335,851 in connection with its Contact Property during this quarter.

Performance Summary

Nine months ended September 30, 2016 ("2016 Nine Months")

The Company incurred a loss during the nine month period ended Septembe 30, 2016 of $568,989 (2015 - $8,743,103), an decrease of $8,174,714. The $568,989 loss is a combined result of operating expenses of $602,610 (2015 - $682,141), a gain from disposition of property of $32,921 (2015 - $132,444), and a loss of $Nil from impairment of the Company's resource property (2015 – loss of $8,194,006).
The main components of opertaing expenses and other income were as follows:

1. Commencing the third quarter of 2015, the Company had a new management team that started to charge consulting fees. As a result, consulting fees (mainly managerial in nature) of $234,302 in the 2016 nine-month period was higher than the $192,803 incurred in the same period in 2015.

2. There were less options vested during 2016 Nine Months compared to the same period in the last year. As a result, share-based compensation was lower in 2016 Nine Months.

3. Management of the Company attended various road shows in 2016 Nine Months to promote the goodwill of the Company. Once the market conditions recover, management believes the Company will be in a stronger position to raise the required capital for further exploration of existing properties and for potential acquisition of new projects. As a result, promotion, advertisement and shareholder relations of $143,163 incurred in 2016 Nine Months was higher than the $130,403 incurred in the 2015 Nine Months.

4. During 2015 Nine Months, the Company considered the Contact property to be impaired and recorded an impairment charge of $8,194,006. There was no similar assessment during 2016 Nine Months.

5. The Company sold various equipment in 2015 Nine Months and 2016 Nine Months. These disposition are incidental and the gain from the disposition in 2015 Nine Months were $132,444 compared to $32,921in the 2016 Nine Months.

As at September 30, 2016, the Company had $21,288 in cash (2015/12/31 – $114,773), $4,389,097 in resource properties (2015/12/31 - $4,150,362), and $104,749 in accounts payable and accrued liabilities (2015/12/31 - $27,719). These changes were due to a receipt of cash of $15,251 from disposition of assets and $300,000 from share issuance, use of cash of $156,000 in connection with the Company's resource properties, and use of cash of $254,795 in financing operating activities.

<u>Three months ended September 30, 2016 ("2016 Q3")</u>

Net loss during 2016 Q3 was $179,523 (2015 Q3- $8,444,296), a decreass of $8,264,773. The $179,523 loss is mainly the result of having operating expenses of $179,674 (2015 Q3 - $252,288) and an impairment charge of $Nil for the resource properties (2015 Q3 - $8,194,006).

Main components of the opertaing expenses are as follows:

1. Commencing the third quarter of 2015, the Company had a new management team that started to charge consulting fees. Initial fees charged in 2015 Q3 was higher. As a result, the Company incurred a lower management/consulting fees during three months ended September 30, 2016.

2. There were less options vested during 2016 Q3 compared to the same quarter of the last year. As a result, share-based compensation was lower in 2016 Q3.

3. During 2015 Q3, the Company considered the Contact property to be impaired and recorded an impairment charge of $8,194,006. There was no similar assessment during 2016 Q3.

Proposed Transactions

Other than the share issuance for debt disclosed in the "outlook" section, the Company does not have any proposed transactions that are material to disclose.

Liquidity, Capital Resources and Going Concern

As at September 30, 2016, the Company had a working capital deficiency of $18,254. As disclosed in the "outlook" section, the Company issued 1,000,000 common shares after the period ended September 30, 2016 for the settlement of $100,000 amounts payable to the related parties to increase the working capital.

Net cash used in operating activities during 2016 Nine Months was $250,060 compared to $471,195 during the same period in 2015 as the Company had some positive change in working capital during 2016 Nine Months (e.g. receipts of cash from other receivable during 2016 Nine Months)

Net cash used in investing activities for the 2016 Nine Months was $145, 484 as compared to $173,729 in the 2015 Nine Months. Cash received from disposition of equipment along with lower exploration activity contributed to this reduction.

The Company received $300,000 from private placement during 2016 Nine Months (2015- $Nil).

The Company is not subject to external restriction in using its capital resources.

The Company is a resource exploration stage company, which does not generate any revenue and has been relying on equity-based financing to fund its operations. On September 30, 2016, the Company has a working capital deficiency of $18,254 and an accumulated deficit of $31,214,965, and was not able to finance it day to day activities from its operations. The Company will require additional financing either through equity or debt financing, sale of assets, joint venture arrangements or a combination thereof in order to meet its administrative costs and to continue to explore and develop its mineral properties. There is no assurance that sufficient future funding will be available on a timely basis or on terms acceptable to the Company. These conditions indicate the existence of material uncertainties that cast significant doubt as to the ability of the Company to be a going concern.

The Company has been incurring approximately $62,500 cash operating expense per month during the nine months ended September 30, 2016 and expects to maintain the same burn rate in the next twelve months. The Company plans to finance its operation in the next twelve months by:

- Cash on hand approximately of $21,000
- Issuance of more common shares to the officers for the consulting fees charged
- Collection of other receivable of $120,000
- To conduct a private placement when needed

Related Party Transactions

During the nine months ended September 30, 2016, the Company's officers and its executive chairman charged $180,000 in consulting fees (2015 - $126,500), During the period, the Company incurred share-based compensation of $38,202 to directors and officers (2015 - $168,679). The Company also reimbursed $12,000 in rental expenses to its executive chairman during the period (2015 - $1,500).

As at September 30, 2016, including in the Company's due to related party is an amount owing to key management members of $63,000 (2015/12/31 - $24,418). These amounts owing are unsecured and non-interest bearing.

During the 2016 Nine Months, the Company issued 2,328,340 common shares at fair value of $0.05 per common share to settle $116,417 of consulting fees payable to the Company's Executive Chairman of the Board of Director ($84,417) and the CEO ($20,000), and the CFO ($12,000)

Off-Balance Sheet Arrangements

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

Significant accounting policies and new accounting standards yet to adopt

The Company has not adopted new accounting policies since its recent year ended December 31, 2015.

"IFRS 9 Financial Instruments addresses classification and measurement of financial assets" is the new accounting standard yet to be adopted.

IFRS 9 replaces the multiple category and measurement models in IAS 39 *Financial Instruments: Recognition and Measurement* for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. The effective date of this new standard will be for periods beginning on or after January 1, 2018 with early adoption permitted. The Company has not yet assessed the impact of this standard or determined whether it will adopt earlier.

Financial Instruments

The Company's financial instruments are exposed to a number of financial and market risks, including credit, interest rate, liquidity and commodity risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities. There was no change in the management of the financial risks during 2016 Six Months compared to the year ended December 31, 2015.

Fair value

Financial instruments not recorded in fair value consisted of cash, other receivable, note receivable, accounts payable and accrued liabilities, and due to related party. The carrying values of these financial instruments approximate their fair values due to their short-term nature.

Financial assets and liabilities that are recognized on the statement of financial position at fair value can be classified in a hierarchy that is based on the significance of the inputs used in making the measurements. The levels in the hierarchy are:

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

Outstanding share data

As of the date of this report, the Company has 142,927,330 common shares, 74,238,003 share purchase warrants, 4,350,000 stock options outstanding.

Risk factors

The principal activity of the Company is mineral exploration which is inherently risky. There is intensive government legislation from state, provincial, federal, municipal and aboriginal governments, surrounding the exploration for and production of minerals from our and any mining operations. Exploration and development is also capital intensive and the Company currently has no source of income. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks, and therefore constitute one of the main assets of the Company.

The Company has its cash deposited with a large, federally insured, commercial bank which it believes to be creditworthy. Federal deposit insurance covers deposit balances up to $100,000. Therefore, the majority of the Company's cash on deposit exceeds federal deposit insurance available.

Title

Title to mineral properties, as well as the location of boundaries on the grounds may be disputed. Moreover, additional amounts may be required to be paid to surface right owners in connection with any mining development. At all of such properties where there are current or planned exploration activities, the Company believes that it has either contractual, statutory, or common law rights to make such use of the surface as is reasonably necessary in connection with those activities. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to its properties will not be challenged or impaired.

Successful challenges to the title of the Company's properties could impair the development of operations on those properties.

The Company's properties include unpatented mining claims, patented mining claims, and mineral rights on private lands. The Company's properties on unpatented mining claims, is land owned and administered by the U.S. government. A valid unpatented mining claim is an interest in real property that can be bought, sold, mortgaged, devised, leased and taxed, but it is always subject to the paramount title of the U.S. and the rights of third parties to use the surface of the claim in a manner that does not unreasonably interfere with the claimant's activities. Unpatented mining claims are mining claims located and staked on available federal public domain land in accordance with the U.S. General Mining Law of 1872, with dimensions not to exceed 600 feet by 1,500 feet for lode claims (which constitute the great majority of the Company's unpatented mining claims), or 20 acres for placer claims. The process of locating an unpatented mining claim is initiated by the locator. Unpatented mining claims can be staked without any invitation from or grant by the federal government or any state government. A valid unpatented mining claim must include a discovery of valuable minerals. Prior to discovery, however, a mining claimant has a possessory right to conduct mineral exploration and development activities on the claim. The locator of a valid unpatented mining claim has the right to explore for, develop and mine minerals discovered on the claim, subject to compliance with the annual maintenance requirements of the U.S. Federal Land Policy and Management Act of 1976 which currently requires timely payment of an annual maintenance fee in order to maintain an unpatented mining claim.

Unpatented mining claims are unique property interests, and are generally considered to be subject to greater title risk than private real property interests because the validity of unpatented mining claims is often uncertain. This uncertainty arises, in part, out of the complex federal and state laws and regulations that supplement the U.S. General Mining Law of 1872. Also, unpatented mining claims and related rights, such as rights to use the surface, are always subject to possible challenges by third parties or contests by the federal government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of federal and state statutory and decisional law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented mining claims.

In recent years, the U.S. Congress has considered a number of proposed amendments to the General Mining Law, as well as comprehensive reform legislation. Although no such legislation has been adopted to date, there can be no assurance that such legislation will not be adopted in the future. If ever adopted, such legislation could, among other things, impose royalties on production from currently unpatented mining claims located on federal lands. If such legislation is ever adopted, it could have an adverse impact on earnings from the Company's operations, and it could reduce estimates of the Company's present resources and the amount of the Company's future exploration and development activity on federal lands.

Permits and Licenses

Although the Company either currently holds or has applied for or is about to apply for all consents which it requires in order to carry out its current drilling programs, the Company cannot be certain that it will receive the necessary permits and licenses on acceptable terms or at all, in order to conduct further exploration and to develop its properties. The failure to obtain such permits, or delays in obtaining such permits could adversely affect the operations of the Company. Government approvals and permits are currently and may in the future be required in connection with the operations of the Company. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

Exploration and Development Efforts May Be Unsuccessful

There is no certainty that the expenditures to be made by the Company in the exploration and development of its properties as described herein will result in discoveries of mineralized material in commercial quantities. Most exploration and development projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineable deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mining operations or to achieve self-sustaining commercial mining operations for several years.

The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities. Future additional equity financing would cause dilution to current shareholders.

No Mineral Resources or Reserves in Production
The properties in which the Company has an interest or right to earn an interest are in the exploration or pre-development stages only and are without a known body of ore in commercial production.

Uncertainty of Obtaining Additional Funding Requirements
Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of mining properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs.

The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

Mineral Prices May Not Support Corporate Profit
The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Competition
The mining industry is intensively competitive in all its phases. The Company competes with companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

Environmental Regulations
The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, requires permits from various Canadian and U.S. Federal, Provincial and State governmental authorities.

Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures, production costs, reduction in levels of production at producing properties, require abandonment or delays in development of new mining properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

Uncertainty of Reserves and Mineralization Estimates
There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurance can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metals prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Foreign Operations
The Company's foreign activities are subject to the risk normally associated with conducting business in foreign countries, including exchange controls and currency fluctuations, limitations on repatriation of earnings, foreign taxation, laws or policies of particular countries, labour practices and disputes, and uncertain political and economic environments, as well as risk of war and civil disturbances, or other risk that could cause exploration or development difficulties or stoppages, restrict the movement of funds or result in the deprivation or loss of contract rights or the taking of property by nationalization or expropriation without fair compensation. Foreign operations could also be adversely impacted by laws and policies affecting foreign trade, investment and taxation. The Company currently has exploration projects located in the U.S.

Operating Hazards and Risks Associated with the Mining Industry
Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved.

Operations in which the Company has direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

Ability to Manage Growth

Should the Company be successful in its efforts to develop its mineral properties or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipates that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of a Dividend Policy
The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's board of directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders
The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence on Key Personnel
The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest
Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading Volume
The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price
Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

Forward Looking Statements

Certain statements contained in this Management Discussion and Analysis constitute “forward-looking statements”. These statements relate to future events or the Company’s future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Information concerning the interpretation of drill results, mineral resource and reserve estimates and capital cost estimates may also be deemed as forward-looking statements as such information constitutes a prediction of what mineralization might be found to be present and how much capital will be required if and when a project is actually developed. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Management Discussion and Analysis should not be relied upon. These statements speak only as of the date of this Management Discussion and Analysis. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements contained in this Management Discussion and Analysis. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper, or other mineral commodities under exploration;
- the availability of financing for the Company’s exploration and development projects on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- market competition;
- the accuracy of our resource estimate (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based; and
- tax benefits and tax rates.

These forward-looking statements involve risks and uncertainties relating to, among other things, risks related to international operations, actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section “Risk Factors”. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors discussed in the section. The Company cautions that the foregoing list of important factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.