

**CHANTRELL VENTURES CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the three and nine month periods ended September 30, 2013**  
(Expressed in Canadian dollars)

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**Dated: October 29, 2013**

**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

This discussion and analysis ("MD&A") covers Chantrell Ventures Corp. (the "Company" or "Chantrell") financial statements for the three and nine month period ended September 30, 2013. This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited interim financial statements for the three and nine month period ended September 30, 2013 and the audited financial statements for the years ended December 31, 2012 and 2011. The information contained in this report is current to October 29, 2013.

The accompanying audited financial statements have been prepared by management and are in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that that the Financial Statements fairly present, in all material respects, the financial condition, result of operations and cash flows, of the Company as the date hereof.

The Audit Committee has reviewed the audited financial statements with management. The Board of Directors has approved these audited financial statements on the recommendation of the Audit Committee.

External auditors, appointed by the shareholders, have not audited or reviewed the unaudited interim financial statements for the three and nine month periods ended September 30, 2013 and did not perform the tests deemed necessary to enable them to express an opinion on these unaudited interim financial statements.

**CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. In the event that the Company is able to acquire a suitable mining property, such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits,

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consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Chantrell to fund the capital and operating expenses necessary to achieve the business objectives of Chantrell, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

## **CORPORATE OVERVIEW**

Chantrell Ventures Corp. (formerly Tiger Pacific Mining Corp.) is a public company incorporated under the laws of the Province of Alberta and continued into the Province of British Columbia under the Business Corporations Act on July 29, 2004. The Company is listed on the NEX board of the TSX Venture Exchange under the symbol CV.H.

## **OUTLOOK**

The mission of the Company is to enhance shareholder value through the acquisition and development of mining properties in the Americas. The Company is currently investigating opportunities in order to fulfill this objective.

The Company completed a \$500,000 private placement in December 2010 and 7,200,000 warrants were exercised in December 2010 and January 2011 for total proceeds of \$900,000. As at October 29, 2013, the Company has working capital of approximately \$540,000, which will be used to fund ongoing operations and to help finance the acquisition and development of potential mining properties.

## **SELECTED ANNUAL FINANCIAL INFORMATION**

	<b>Nine Month Period Ended September 30, 2013</b>	<b>Year Ended December 31, 2012</b>	<b>Year Ended December 31, 2011</b>
Total revenues	\$Nil	\$Nil	\$Nil
Loss for the period/year	(142,428)	(395,635)	(1,066,665)
Basic and fully diluted loss per share	(0.01)	(0.02)	(0.06)
Total assets	568,167	714,897	1,118,854
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil

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**SUMMARY OF QUARTERLY RESULTS**

	<b>3<sup>rd</sup> Quarter Ended September 30, 2013</b>	<b>2<sup>nd</sup> Quarter Ended June 30, 2013</b>	<b>1<sup>st</sup> Quarter Ended March 31, 2013</b>	<b>4<sup>th</sup> Quarter Ended December 31, 2012</b>
	\$	\$	\$	\$
(a) Revenue	Nil	Nil	Nil	Nil
(b) Net loss for period	(34,941)	(45,001)	(62,486)	(73,086)
(c) Net loss per share <sup>1</sup>	(0.00)	(0.00)	(0.00)	(0.00)
(d) Total assets	568,167	611,919	663,218	714,897
(e) Total liabilities	3,666	12,477	18,775	7,968
	<b>3<sup>rd</sup> Quarter Ended September 30, 2012</b>	<b>2<sup>nd</sup> Quarter Ended June 30, 2012</b>	<b>1<sup>st</sup> Quarter Ended March 31, 2012</b>	<b>4<sup>th</sup> Quarter Ended December 31, 2011</b>
	\$	\$	\$	\$
(a) Revenue	Nil	Nil	Nil	Nil
(b) Net loss for period	(95,388)	(113,853)	(113,308)	(85,559)
(c) Net loss per share <sup>1</sup>	(0.01)	(0.01)	(0.01)	(0.00)
(d) Total assets	793,553	884,562	1,010,073	1,118,854
(e) Total liabilities	13,538	9,159	20,817	16,290

<sup>1</sup> Numbers have been rounded to the next decimal for presentation purposes.

**RESULTS OF OPERATIONS**

**For the three months ended September 30, 2012**

The following analysis of the Company's operating results for the three months ended September 30, 2013, includes a comparison to the three months ended September 30, 2012.

**Loss for the period**

The net loss for the three months ended September 30, 2013 was \$34,941 as compared to a net loss of \$95,388 for the three months ended September 30, 2012. The \$60,447 decrease in net loss is primarily due to a \$35,630 decrease in management and consulting fees and a decrease of \$10,048 in professional fees.

**Revenue**

The Company had no revenue, as there currently are no active business operations.

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**Expenses:**

Management and consulting fees for the three months ended September 30, 2013 were \$17,000 compared to \$52,630 for the three months ended September 30, 2012. Management, consulting and professional fees may vary from time to time as the Company continues to perform due diligence on acquisition opportunities. These costs are expected to be near their current low levels in the coming quarters as management continues to preserve its current capital as it is actively looking to acquire new mining assets to fulfill the Company's mission statement. Professional fees for the three months ended September 30, 2013 were \$6,000 compared to \$16,048 for the three months ended September 30, 2012. The decrease is due to management focus to preserve its current capital.

Shareholder information fees for the three months ended September 30, 2013 were \$4,519 compared to \$6,200 for the three months ended September 30, 2012. The current quarter amounts are indicative of on-going maintenance rates.

Office and miscellaneous costs for the three months ended September 30, 2013 were \$6,079 compared to \$12,114 for the three months ended September 30, 2012. The decrease is due to management focus to preserve its current capital. Management expects these costs to consistent going forward.

**For the nine months ended September 30, 2012**

The following analysis of the Company's operating results for the nine months ended September 30, 2013, includes a comparison to the nine months ended September 30, 2012.

**Loss for the period**

The net loss for the nine months ended September 30, 2013 was \$142,428 as compared to a net loss of \$322,549 for the nine months ended September 30, 2012. The \$180,121 decrease in net loss is primarily due to a \$109,547 decrease in management and consulting fees.

**Revenue**

The Company had no revenue, as there currently are no active business operations.

**Expenses:**

Management and consulting fees for the nine months ended September 30, 2013 were \$70,583 compared to \$181,130 for the nine months ended September 30, 2012. Management, consulting and professional fees may vary from time to time as the Company continues to perform due diligence on acquisition opportunities. These costs have decreases in the current quarter as management preserved its current capital as it actively looked to acquire new mining assets to fulfill the Company's mission statement. Professional fees for the nine months ended September 30, 2013 were \$23,595 compared to \$46,548 for the nine months ended September 30, 2012. The decrease is due to management focus to preserve its current capital.

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Shareholder information fees for the nine months ended September 30, 2013 were \$17,015 compared to \$23,032 for the nine months ended September 30, 2012. The current quarter amounts are indicative of on-going maintenance rates.

Office and miscellaneous costs for the nine months ended September 30, 2013 were \$27,980 compared to \$62,052 for the nine months ended September 30, 2012. The decrease is due to management focus to preserve its current capital. Management expects these costs to consistent going forward.

## **RISKS AND UNCERTAINTIES**

The Company presently does not own any properties, business or other related assets of merit and is currently in the process of searching for a new business opportunity. There is no guarantee that the Company will be able to complete on acquisition of a property.

At present, the Company has no internal sources of funding from which to repay its existing obligations and on-going operating costs. If the Company is unable to obtain adequate additional financing, management might be required to curtail the Company's operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case its ability to continue as a going concern may be adversely affected.

If an acquisition of or the participation in corporations, properties, assets or businesses is identified, the Company may find that even if the terms of an acquisition or participation are economic, it may not be able to finance such acquisition or participation and additional funds will be required to enable the Company to pursue such an initiative. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company. The Company will be competing with other companies, many of which will have far greater resources and experience than the Company. No assurance can be given that the Company will be successful in raising the funds required for an acquisition.

## **LIQUIDITY**

For the three and nine month period ended September 30, 2013, the Company had an opening cash balance of \$676,715 (December 31, 2012 - \$1,052,817). The cash balance decreased by \$130,939 (year ended December 31, 2012 - \$376,102) mainly from the operating loss for the nine month period ended September 30, 2013 of \$142,428 (year ended December 31, 2012 - \$395,635).

As at September 30, 2013, the Company had working capital of \$548,244 (December 31, 2012 - \$687,804), had not yet achieved profitable operations, had accumulated losses of \$4,092,383 (December 31, 2012 - \$3,949,955) and expects to incur further losses in the development of its business, all of which casts doubt upon the Company's ability to continue as a going concern.

The Company currently is not able to internally finance on-going operating costs of its businesses over the long term and therefore will require additional financing by means of issuing share capital, advances from related parties, or other sources. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary

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financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. In addition, the Company will require additional financing in order to assist in the search, and, if warranted, acquisition of a business opportunity. There can be no certainty of the Company's ability to raise additional financing through private placements, advances from related parties, or other sources to fund these activities. Consequently the Company is subject to liquidity risks. These financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and the Company's financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

## **CAPITAL DISCLOSURE**

The Company's objectives in managing its capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's activities; to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its properties; to maintain a flexible capital structure for its projects for the benefit of its stakeholders; to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company considers its capital to be equity, which is comprised of share capital, reserve accounts, and deficit, which as at September 30, 2013 totaled \$564,501 (December 31, 2012 – \$706,929).

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company currently has no major sources of revenue; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will continue to assess its existing working capital position and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company's investment policy is to invest its cash in bank deposits, to ensure it is available for upcoming expenditures.

The Company expects its capital resources will be sufficient to carry out its acquisition and exploration plans and operations through its current operating period. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company.

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There were no changes in the Company's approach to capital management during the nine month period ended September 30, 2013. The Company is not subject to externally imposed capital requirements.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, and trade and other payables. Trade and other receivables are designated as "loans and receivables". Trade and other payables are designated as "other financial liabilities".

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:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs that are not based on observable market data.

The fair values of trade and other receivables, and trade and other payables approximate their carrying values due to their short term maturity. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

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

### ***Credit risk***

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to cash and trade and other receivables included in current assets. The Company has no material concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits and guaranteed investment certificates, from which, management believes the risk of loss is remote. As at September 30, 2013, the Company's trade and other receivables primarily consist of amounts due from the Canadian government. The Company's receivables are normally collected within a 30-60 day period. The Company has not experienced any collection issues to September 30, 2013. The Company is exposed to credit risk with regards to the government denying the Company claims filed.

The Company's maximum exposure to credit risk as at September 30, 2013 is the carrying value of cash and cash equivalents and trade and other receivables.

### ***Interest rate risk***

The Company's cash and cash equivalents include bank deposits that are subject to floating interest rates. The Company's current policy is to invest excess cash in bank deposits by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

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***Liquidity risk***

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2013, the Company had working capital of \$548,244 (December 31, 2012 – \$687,804), consisting of current assets of \$551,910 (December 31, 2012 - \$695,772) compared to current liabilities of \$3,666 (December 31, 2012 - \$7,968). The ability of the Company to continue to pursue its activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company currently has sufficient working capital to meet its short term business requirements.

***Strategic risk***

Strategic risk is the risk that the Company fails to identify opportunities and/or threats arising from changes in the market. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory developments and competitor actions. The Company is currently in the process of identifying and evaluating business' and/or assets that warrant acquisition or participation. The Company is exposed to the risk that it may not be able to obtain the necessary financing requirements to complete such an acquisition. As well, the Company may be competing with other entities for the acquisition of an identified business' and/or assets and there can be no assurance as to the successful outcome of such a negotiating process. The Company mitigates these risks by means of its selection of qualified and experienced directors and officers who actively consider the potential opportunities and challenges for the Company.

***Additional Capital***

The acquisition and exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of acquisition, exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

***Acquisition***

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

***Competition***

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.



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***Internal Control over Financial Reporting***

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

During the most recent quarter end, there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**RELATED PARTY TRANSACTIONS**

Certain corporate entities and consultants that are related to the Company's officers and directors or persons holding more than 10% of the issued and outstanding shares of the Company provide consulting and other services to Chantrell. All transactions were conducted in the normal course of operations and are measured at the exchange amounts.

As at September 30, 2013, the Company had \$Nil (December 31, 2012 - \$2,000) in trade and other payables due to a company controlled by an officer and director of the Company.

**DISCLOSURE OF OUTSTANDING SHARE DATA**

The following table sets forth information concerning the outstanding securities of the Company as at October 29, 2013.

	<b><i>Authorized</i></b>	<b><i>Outstanding</i></b>
<i>Voting or equity securities issued and outstanding</i>	<i>Unlimited Common Shares</i>	<i>18,611,857 Common Shares</i>
<i>Securities convertible or exercisable into voting or equity shares</i>		<i>a) Options to acquire up to 1,510,000 common shares</i>

**CRITICAL ACCOUNTING ESTIMATES**

The preparation of these financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to recoverability of trade and other receivables, valuation of deferred income tax amounts and the calculation of share-based payments. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

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***Income taxes***

Tax interpretations, regulations and legislation in the various jurisdictions in which the Company and its subsidiaries operate are subject to change and interpretation. As such, income taxes are subject to measurement uncertainty. The Company follows the liability method for calculating deferred taxes. Assessing the recoverability of deferred tax assets requires the Company to make significant estimates related to the expectations of future cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the deferred tax assets and liabilities recorded at the statement of financial position date could be impacted. Additionally, changes in tax laws could limit the ability of the Company to obtain tax deductions in the future.

**OFF STATEMENT OF FINANCIAL POSITION ARRANGEMENTS**

The Company has no off statement of financial position arrangements requiring disclosure.

**ADDITIONAL FUNDING REQUIREMENTS**

As discussed, the Company has no source of operating cash flow. The Company intends to raise such additional funds to acquire and complete its activities. There is no assurance that Chantrell will be able to raise additional funds on reasonable terms. The development of any ore deposits found on any acquired exploration properties of Chantrell depends on the ability of the Company to obtain financing through debt financing, equity financing or other means. If the exploration and development programs of Chantrell are successful, additional funds will be required to develop the properties and, if successful, additional funds will be required to place them in commercial production. The only source of future funds presently available to Chantrell is the sale of equity capital of Chantrell. The ability of Chantrell to arrange such financing in the future will depend in part upon the prevailing capital market conditions, as well as on the business performance of the Company. There can be no assurance that Chantrell will be successful in its efforts to arrange additional financing if needed on terms satisfactory to Chantrell. If additional financing is raised by the issuance of shares from the treasury of the Corporation, control of Chantrell may change and shareholders may suffer additional dilution. If adequate financing is not available, Chantrell may be required to delay, reduce its scope, or eliminate one or more exploration activities. Failure to obtain additional financing on a timely basis could cause Chantrell to reduce or terminate its operations.

**MANAGEMENT'S EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management of the Company, with the participation of the Chief Executive Officer (who is also the Chief Financial Officer), evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer has concluded that, as of the end of the year covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that

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information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the Chief Executive Officer, as appropriate to allow timely decisions regarding required disclosure.

**RISK FACTORS AND RISK MANAGEMENT**

The Company's business is highly uncertain and risky by its very nature. Future business opportunities pursued by the Company may be in other fields, and are also likely to be risky. In addition, the ability to raise funding in the future to maintain the Company's search for new business opportunities, and to carry through with the ensuing activities is dependant on financial markets that often fail to provide necessary capital.

Regulatory standards continue to change making the review process longer, more complex and more costly. Even if an apparently successful business proposal is developed, there is no assurance that it will ever be carried out or be profitable, as its potential economics are influenced by many key factors such as the general state of the economy, foreign exchange rates, equity markets and political interference, permitting approvals, which can not be controlled by management.

Dated this 29<sup>th</sup> day, of October, 2013.

*"Paul A. Parisotto"*

Paul A. Parisotto  
President, Chief Executive Officer and Chief Financial Officer

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available at [www.sedar.com](http://www.sedar.com).