O|P|W
OPAWICA EXPLORATIONS INC.

300 – 555 West Georgia Street, Vancouver, B.C. Canada V6B 1Z6
T (604)681-3170, F (604)681-3552, info@opawica.com
www.opawica.com

OPAWICA EXPLORATIONS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015

This report provides a discussion and analysis of the financial condition and results of operations ("Management's Discussion and Analysis") to enable a reader to assess material changes in financial condition between August 31, 2015 and August 31, 2014 and results of operations for the years ended August 31, 2015 and August 31, 2014, as well as forward-looking statements relating to the potential future performance. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below. This Management's Discussion and Analysis has been prepared as of **December 23, 2015** ("Report Date"). This Management's Discussion and Analysis is intended to supplement and complement the audited financial statements and notes thereto for the year ended August 31, 2015 (collectively the "Financial Statements"). You are encouraged to review the Financial Statements in conjunction with your review of this Management's Discussion and Analysis. Certain notes to the Financial Statements are specifically referred to in this Management's Discussion and Analysis and such notes are incorporated by reference herein.

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

1. CORE BUSINESS

Opawica Explorations Inc. was incorporated under the Business Corporations Act (Ontario) on September 17, 1975 and was continued into British Columbia by Certificate of Continuation issued under the Business Corporations Act (British Columbia) on September 29, 2006. The Company is listed on the TSX Venture Exchange ("TSX-V"), having the symbol OPW-V, as a Tier 2 mining issuer. The Company is a junior resource company engaged in the acquisition, exploration and evaluation of mineral properties in Canada for hosting gold and base metal deposits. As at the date hereof, the Company owns, subject to certain royalties, a 100% interest in each of the following mineral resource properties in Ontario and Yukon Territory, Canada:

- **TKL Teck Property** – four patented mineral claims located near Kirkland Lake in northeastern Ontario.
- **Yukon Bro Property** – massive sulphide, silver, lead, zinc property with exploration potential for gold and copper, located 120 km southeast of Faro, Yukon Territory.

1.1 Private Placement

On December 29, 2014, the Company closed a private placement of 10,202,900 common shares at a price of $0.01 per share pursuant to a discretionary waiver of the $0.05 minimum pricing requirement granted by the TSX-V, for total proceeds of $102,029. Insiders purchased 3,156,200 shares. Proceeds from the sale of shares were used to pay outstanding accounts payable and for general working capital. All securities issued pursuant to the private placement were subject to a hold period that expired on April 30, 2015.

1.2 TKL Teck Property

In September 2014, the Company mobilized a trenching and diamond drill program on two separate parts of its 100% owned TKL Teck property located five kilometers northwest of the Town of Kirkland Lake, Ontario. The field program consisted of trenching and the drilling of one hole of approximately 200m. In October 2014, the Company completed the trenching and diamond drill program and announced the field results. Some anomalous silver and copper values were encountered over narrow widths in the drill program with no significant gold values present from assaying of drill core. No further drilling is planned at this time. Assaying was carried out by Swastika Laboratories of Kirkland Lake, Ontario.

Mr. Robert Laakso, P.Eng., was the Independent Qualified Person who prepared or supervised the preparation of the information that forms the basis for the scientific and technical disclosure in the above text.

Pursuant to the property option agreement dated October 17, 2012, the Company has completed $50,000 in work expenditures on the TKL Teck property and 100% ownership title to the property was transferred to the Company on April 21, 2015.

1.3 Proposed Property Acquisition, Private Placement, and Corporate Restructuring

On December 22, 2015, the Company announced that it has settled the principal terms of a purchase and sale agreement with Investissements Gema Inc. ("Gema") for the Company to acquire a 100% interest, subject to retained royalties, in the Bazooka, McWatters and Doyon-Bousquet claims (the "Properties") located in northern Quebec, Canada.

In order to purchase the Properties, the Company is to issue 3,870,000 common shares of the Company (the "Shares"), said Shares to be issued on a post-consolidation basis, it being acknowledged that the Company is intending to consolidate its current and outstanding share capital on a 4 old for 1 new basis (the "Consolidation"). The Shares will be subject to a four month hold period under applicable securities laws. 1,000,000 of the Shares are to go to RT Minerals Corp., a company with common directors to the Company.

A further condition to closing the sale of the Properties is the completion of a unit private placement to raise up to $500,000 at a minimum price of $0.05 per unit (post Consolidation), with each unit comprised of one share and one warrant exercisable at a minimum price of $0.05 for a term of five years (the "Offering"). Up to $400,000 of the Offering will consist of flow-through units.

Closing of the transactions contemplated hereby is subject to the conclusion of further documentation, approval by shareholders of the Company, and TSX Venture Exchange acceptance to the transactions contemplated hereby, provided that if any of the conditions set out herein are not satisfied by March 31, 2016, the agreement shall terminate and be of no further force and effect.

2. OVERALL PERFORMANCE

2.1 Financial Condition

At August 31, 2015, the Company had not yet achieved profitable operations, has accumulated losses of $34,094,476 since inception and expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

Industry and economic factors continue to affect the Company's performance. Generally weak capital market conditions make it a challenge to raise equity financing to fund the Company's acquisition and exploration activities. These conditions are expected to continue over the next twelve months.

The Company had a working capital deficit of $16,844 at August 31, 2015 compared to a surplus of $81,348 at August 31, 2014.

Cash and cash equivalents were $6,844 at August 31, 2015 compared to $56,403 in cash and cash equivalents at August 31, 2014. The Company's sources and uses of cash are discussed in section 2.3 "Cash Flows" below.

Short term investments consist of securities in RT Minerals Corp. ("RTM") at August 31, 2014.

During the year ended August 31, 2015, the Company sold its remaining 244,260 shares of RTM for net proceeds of $1,211, resulting in the recognition of a loss of $18,330.

Amounts and other receivable of $1,201 at August 31, 2015 (August 31, 2014 - $23,708) consists of $1,123 in related party receivable, and the balance is GST input tax credits.

Prepaid expenses of $2,397 at August 31, 2015 (August 31, 2014 - $10,644) relate to ordinary operating expenses.

Exploration and evaluation assets of $165,922 at August 31, 2015 (August 31, 2014 - $119,016) consist of acquisition and exploration expenditures on the TKL Teck and Bro properties. During the year ended August 31, 2015, the Company expended $44,935 in exploration expenditures on the TKL Teck property; $1,971 in acquisition expenditures on the TKL Teck property; and $nil on the Bro property (see section 4.0 "Discussion of Operations" below).

Equipment of $3,612 at August 31, 2015 (August 31, 2014 - $12,894) consists of office furniture and equipment, computer equipment, and software.

Trade and other payables were $26,585 at August 31, 2015 (August 31, 2014 - $20,562). Trade and other payables are unsecured and are usually paid within 30 days of recognition.

Due to related parties was $701 at August 31, 2015 (August 31, 2014 - $8,386). Due to related parties represents amounts owing to directors, officers, and companies with a common director for unpaid project management services, expenses, salaries and severance, which are unsecured, non interest bearing and payable on demand (see section 9.0 "Transactions Between Related Parties" below).

2.2 Financial Performance

The Company is organized into one business unit being that of acquisition and exploration and evaluation activities in Canada.

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a public company. Net loss and comprehensive loss for the year ended August 31, 2015 was $157,897 or $0.01 per share, compared to a loss of $1,120,277 for the year ended August 31, 2014 or $0.10 per share. Net loss and comprehensive loss for the three months ended August 31, 2015 was $21,310 or $0.00 per share, compared to a loss of $625,192 for the three months ended August 31, 2014 or $0.05 per share.

2.21 Other Items

Other items totalled ($12,800) for the year ended August 31, 2015, compared to ($95,404) recorded for the 2014 comparative year. Other items totalled $8,171 for the three months ended August 31, 2015, compared to $3,994 recorded for the 2014 comparative period. The following is a breakdown of the material components of other items for the three months and years ended August 31, 2015 and 2014.

	Three months ended August 31, 2015 $	Three months ended August 31, 2014 $	Year ended August 31, 2015 $	Year ended August 31, 2014 $
Unrealized gains on investments	-	3,364	-	4,885
Gain (loss) on sale of investments	-	630	(18,330)	(100,443)
Loss on disposal of equipment	-	-	(2,641)	(325)
Gain on debt settlement	8,171	-	8,171	-
Interest income	-	-	-	479
	8,171	3,994	(12,800)	(95,404)

Unrealized gains on investments represent the changes in fair value of the Company’s investment in RTM, based on the market prices for the shares.

Gain (loss) on sale of investments arose from the sale of the Company’s investments in RTM, SGR and CGM.

The Company disposed of office furniture and equipment for proceeds of $5,000 during the year ended August 31, 2015.

Gain on debt settlement arose from the settlement of exploration expenditures on the TKL Teck property.

The Company’s interest income is derived from its cash and term deposits held with BMO Bank of Montreal.

2.22 Total Expenses for the Year Ended August 31, 2015

Total expenses for the year ended August 31, 2015 were $145,097 compared to $1,024,873 in expenses recorded for the 2014 comparative year.

Depreciation expense was $1,642 for the year ended August 31, 2015 compared to $2,942 in depreciation expense recorded in the 2014 comparative year. During the current year, the Company disposed of furniture and equipment with a net book value of $7,641 for proceeds of $5,000.

Employee costs were $39,239 for the year ended August 31, 2015 compared to $153,175 in employee costs recorded in the 2014 comparative year. The decrease in employee costs for the current year is due to reduction of human resources and decreased business activity. The following is a breakdown of the material components of employee costs for the years ended August 31, 2015 and 2014.

	Year ended August 31, 2015 $	Year ended August 31, 2014 $
Consulting fees	9,839	8,473
Management fees	714	55,000
Salaries and benefits	28,686	89,702

	39,239	153,175

Finance expense recovery of $161 for the year ended August 31, 2015 is comprised of adjustment to calculation of Part XII.6 tax with respect to flow-through expenditure commitments.

The following is a breakdown of the material components of the Company's general and administrative expenses for the years ended August 31, 2015 and 2014.

	Year ended August 31, 2015 $	**Year ended August 31, 2014 $**
Accounting and legal fees	34,637	59,117
Business development	5,800	36,176
Filing fees	10,261	13,826
Insurance	6,210	7,607
Investor communications	4,318	24,783
Office expenses	9,761	53,560
Rent	20,069	30,381
Travel and automobile	13,321	97,611
	104,377	323,061

Accounting and legal fees were $34,637 for the year ended August 31, 2015, compared to $59,117 in accounting and legal fees recorded for the 2014 comparative year. Accounting and audit fees were $31,250 for the year ended August 31, 2015 compared to $36,474 for the 2014 comparative year. This decrease reflects negotiated professional rates. Legal fees were $3,387 for the year ended August 31, 2015 compared to $22,643 recorded for the 2014 comparative year. Legal fees in 2014 include the cost of two shareholder meetings and a share consolidation.

Business development expenses of $5,800 were recorded for the year ended August 31, 2015 compared to $36,176 in business and development expenses recorded for the 2014 comparative year. The decrease in business and development expenses in the current year reflects a decrease in business activity.

Filing fees were $10,261 for the year ended August 31, 2015 compared to $13,826 in filing fees recorded for the 2014 comparative year. Filing fees are a function of business activity.

Insurance expense of $6,210 was recorded for the year ended August 31, 2015 compared to $7,607 recorded for the 2014 comparative year, and includes office tenancy insurance and directors and officers' liability insurance.

Investor communications expenses of $4,318 were recorded for the year ended August 31, 2015 compared to $24,783 in investor communication expenses recorded for the 2014 comparative year. Investor communications expenses include transfer agent fees, shareholder meetings and mailings, attendance at industry shows, and participation in investor relations programs undertaken to raise the profile of the Company. Investor communications expenses in 2014 include the cost of two shareholder meetings and a share consolidation.

Office expenses of $9,761 were recorded for the year ended August 31, 2015 compared to $53,560 in office expenses recorded for the 2014 comparative year. Office expenses include telephone and internet, photocopies and printing, postage and courier, office supplies, and other office expenditures. Office expenses decreased in the current year due to decreased business activity.

Rent expense of $20,069 was recorded for the year ended August 31, 2015 compared to $30,381 in rent recorded for the 2014 comparative year. In January 2015, the Company settled the early termination of its office lease.

Travel and automobile expenses were $13,321 for the year ended August 31, 2015 compared to $97,611 in travel and automobile expenses recorded for the 2014 comparative year. Travel and automobile expenses decreased in the current year due to decreased business activity.

Impairment of exploration and evaluation assets of $545,176 recorded for the year ended August 31, 2014 relates to abandonment of the Teck property option.

2.23 Total Expenses for the Three Months Ended August 31, 2015

Total expenses for the three months ended August 31, 2015 were $29,481 compared to $629,186 in expenses recorded for the 2014 comparative period.

Depreciation expense was $256 for the three months ended August 31, 2015 compared to $806 in depreciation expense recorded in the 2014 comparative period. In January 2015, the Company disposed of furniture and equipment with a net book value of $7,641 for proceeds of $5,000.

Employee costs were $7,359 for the three months ended August 31, 2015 compared to $27,275 in employee costs recorded in the 2014 comparative period. The decrease in employee costs for the current year is due to reduction of human resources and decreased business activity. The following is a breakdown of the material components of employee costs for the three months ended August 31, 2015 and 2014.

	Three months ended August 31, 2015 $	Three months ended August 31, 2014 $
Consulting fees	948	2,273
Management fees	-	5,600
Salaries and benefits	6,411	19,402
	7,359	27,275

Finance expense was $nil for the three months ended August 31, 2015. Finance expense recovery of $107 recorded in the 2014 comparative period is comprised of Part XII.6 tax with respect to flow-through expenditure commitments.

The following is a breakdown of the material components of the Company's general and administrative expenses for the three months ended August 31, 2015 and 2014.

	Three months ended August 31, 2015 $	Three months ended August 31, 2014 $
Accounting and legal fees	14,500	919
Business development	-	9,005
Filing fees	1,300	1,300
Insurance	475	1,909
Investor communications	1,168	1,207
Office expenses	2,328	15,980
Rent	900	6,599

Travel and automobile	1,195	19,117
	21,866	56,036

Accounting and legal fees were $14,500 for the three months ended August 31, 2015, compared to $919 in accounting and legal fees recorded for the 2014 comparative period. Accounting and audit fees were $14,500 for the three months ended August 31, 2015 compared to $684 for the 2014 comparative period, and includes a provision for the year end audit. Legal fees were $nil for the three months ended August 31, 2015 compared to $235 recorded for the 2014 comparative period.

Business development expenses of $nil were recorded for the three months ended August 31, 2015 compared to $9,005 in business and development expenses recorded for the 2014 comparative period. The decrease in business and development expenses in the current period reflects a decrease in business activity.

Filing fees were $1,300 for the three months ended August 31, 2015 compared to $1,300 in filing fees recorded for the 2014 comparative period. Filing fees are a function of business activity.

Insurance expense of $475 was recorded for the three months ended August 31, 2015 compared to $1,909 in insurance expenses recorded for the 2014 comparative period, and includes office tenancy insurance and directors and officers' liability insurance.

Investor communications expenses of $1,168 were recorded for the three months ended August 31, 2015 compared to $1,207 in investor communication expenses recorded for the 2014 comparative period. Investor communications expenses include transfer agent fees, shareholder meetings and mailings, attendance at industry shows, and participation in investor relations programs undertaken to raise the profile of the Company.

Office expenses of $2,328 were recorded for the three months ended August 31, 2015 compared to $15,980 in office expenses recorded for the 2014 comparative period. Office expenses include telephone and internet, photocopies and printing, postage and courier, office supplies, and other office expenditures. Office expenses decreased in the current year due to decreased business activity.

Rent expense of $900 was recorded for the three months ended August 31, 2015 compared to $6,599 in rent recorded for the 2014 comparative period. The decrease in rent expense for 2015 reflects downsizing of office premises.

Travel and automobile expenses were $1,195 for the three months ended August 31, 2015 compared to $19,117 in travel and automobile expenses recorded for the 2014 comparative period. Travel and automobile expenses decreased in the current year due to decreased business activity.

Impairment of exploration and evaluation assets of $545,176 recorded for the three months ended August 31, 2014 relates to abandonment of the Teck property option.

2.3 Cash Flows

The Company is still considered to be in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was $98,508 during the year ended August 31, 2015 compared to $496,240 in cash flows used during the 2014 comparative year.

Total cash flows used in investing activities was $40,695 during the year ended August 31, 2015 compared to $840,081 in cash flows provided by investing activities for the 2014 comparative year. Expenditures on exploration and evaluation assets were $46,906 during the year ended August 31, 2015 compared to $96,817 recorded during the 2014 comparative year. During the year ended August 31, 2015, the Company disposed of furniture and equipment with a net book value of $7,641 for proceeds of $5,000. The Company sold 244,260 shares of RTM for net proceeds of $1,211 during the year ended

August 31, 2015. The Company sold 213 shares of CGM for net proceeds of $19; 2,822,000 shares of SGR for net proceeds of $463,327; and 60,000 shares of RTM for net proceeds of $4,230 during the year ended August 31, 2014. During the year ended August 31, 2014, the Company redeemed $471,391 in term deposits.

Total cash flows provided by financing activities was $89,644 during the year ended August 31, 2015 and consists of $102,029 in proceeds from share issuances less share issuance costs of $4,700 and repayments to related parties of $7,685. Cash flows used in financing activities was $435,345 for the year ended August 31, 2014 and consists of $200,000 in proceeds from share issuances less share issuance costs of $6,586 and repayments to related parties of $628,759.

In December 2014, the Company raised gross proceeds of $102,029 by way of a non-brokered private placement consisting of 10,202,900 common shares at a price of $0.01 per share.

In December 2013, the Company raised gross proceeds of $200,000 by way of a non-brokered private placement consisting of 2,000,000 non flow-through units at $0.05 per unit and 2,000,000 flow-through units at $0.05 per unit. Each non flow-through unit is comprised of one common share and one share purchase warrant entitling the holder to acquire one further common share of the Company at $0.06 per share over a five year term. Each flow-through unit is comprised of one flow-through common share and one share purchase warrant entitling the holder to acquire one further common share of the Company at $0.06 per share over a two year term.

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian (flow-though) qualifying exploration expenditures. The Company has indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the 2013 calendar year, the Company raised proceeds of $100,000 from the sale of flow-through common shares. The Company is committed to spending the flow-through unit proceeds on exploration activities and to renouncing $99,800 of eligible Canadian Exploration Expenditures to the subscribers of the flow-through shares. This amount will not be available to the Company for future deduction from taxable income. The Company had until December 2014 to complete its qualifying exploration expenditures under the look back rule.

During the year ended August 31, 2015, the Company completed its current exploration program on the TKL Teck property and incurred an aggregate of $73,704 in exploration expenditures in relation to the December 27, 2013 flow-through financing described above. The Company amended its Income Tax Act (Canada) filings to reduce the expenses renounced by $26,096 and close its qualifying exploration expenditure commitment. The Company settled any issues arising from the estimated sundry shortfall of certain flow-through tax credits by paying the affected subscriber the nominal amount of $1.00 and the subscriber executed a release of liability to the Company.

Subsequent to year end, on December 2, 2015, the Company received an unsecured third party demand loan of $9,000 bearing interest at 8% per annum.

3. SELECTED ANNUAL INFORMATION

The table below presents selected financial data for the Company's annual financial statements for each of the three most recently completed financial years. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	August 31, 2015	August 31, 2014	August 31, 2013
Total revenue	$ -	$ -	$ -

Net loss and comprehensive loss for the year	$	(157,897)	$	(1,120,277)	$	(6,487,675)
Loss per share, basic and diluted	$	(0.01)	$	(0.10)	$	(0.77)
Total assets	$	179,976	$	242,206	$	1,792,481
Total long term liabilities	$	-	$	-	$	-
Cash dividends declared per share	$	-	$	-	$	-

Various factors contribute to the year to year variations in financial position and financial performance.

Exploration activities were reduced in 2015 and supporting operating costs were decreased across the board.

Due in part to the market price volatility of the 9,925,000 shares of San Gold Corporation received for the sale of the Company's Maybrun-Atikwa, Whitesides-Carscallen and Golden properties that closed on September 28, 2012, the Company recorded a loss on sale of investments of $6,024,210; unrealized loss on investments of $2,135,262; and a gain on assets held for sale of $3,088,531 for the year ended August 31, 2013, which contributed significantly towards the net loss of $6,487,675 for the year ended August 31, 2013.

The $1,120,277 net loss for the year ended August 31, 2014 includes an impairment charge of $545,176 for the Teck property option that was abandoned, and a $100,443 loss on sale of investments.

The $157,897 net loss for the year ended August 31, 2015 consists primarily of ordinary operating costs.

4. DISCUSSION OF OPERATIONS – PROPERTY ACQUISITION, EXPLORATION AND EVALUATION

4.1 Property Acquisition, Exploration and Evaluation

The Company is in the mineral exploration business and has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $165,922 as at August 31, 2015 (August 31, 2014 - $119,016).

The following is a breakdown of material components of exploration and evaluation asset expenditures on a property-by-property basis for the years ended August 31, 2015 and 2014.

	TKL Teck $	Bro $	Teck $	Total $
Balance, August 31, 2013	-	113,361	443,670	557,031
Exploration Costs:				
Administration	-	-	3,750	3,750
Data/Drafting/Reporting	-	-	105	105
Facility Rental	1,150	-	12,950	14,100
General Geology	-	-	16,000	16,000
Project Management	1,880	-	49,100	50,980
Road Access	1,250	-	-	1,250
Site Meals/Lodge/Auto	125	-	3,121	3,246
Stripping/Trenching	1,250	-	-	1,250
Subtotal	5,655	-	85,026	90,681
Acquisition Costs	-	-	16,480	16,480
Write off of unsuccessful exploration expenditure	-	-	(545,176)	(545,176)
Balance, August 31, 2014	5,655	113,361	-	119,016
Exploration Costs:				
Assaying & Development	1,689	-	-	1,689
Data/Drafting/Reporting	4,838	-	-	4,838
Drilling	24,795	-	-	24,795
Facility Rental	1,150	-	-	1,150

Project Management	6,720	-	-	6,720
Road Access	3,775	-	-	3,775
Site Meals/Lodge/Auto	368	-	-	368
Surveying	1,600	-	-	1,600
Subtotal	44,935	-	-	44,935
Acquisition Costs	1,971	-	-	1,971
Balance, August 31, 2015	52,561	113,361	-	165,922

4.11 TKL Teck Property (Kirkland Lake, Ontario)

Pursuant to an agreement dated October 17, 2012, the Company acquired the option to purchase a 100% interest in four patented mineral claims located near Kirkland Lake in northeastern Ontario, collectively known as the TKL Teck Property. The Company exercised the option by completing $50,000 in work expenditures on the property and title to the claims was transferred to the Company on April 21, 2015. The claims are subject to a 2% NSR and 2% Gross Overriding Receipts royalty in favour of the vendor, one-half of which can be purchased by the Company for $1,000,000 cash at any time. The Company shall have the right of first refusal to purchase the remaining one half (1%) royalty.

During the year ended August 31, 2015, the Company expended $44,935 in exploration expenditures on the TKL Teck property and acquisition costs of $1,971.

- ***TKL Teck 2014 Drill Program***

In September 2014, the Company mobilized a trenching and diamond drill program on two separate parts of its 100% optioned TKL property located five kilometers northwest of the Town of Kirkland Lake, Ontario.

Several untested drill targets are outlined on the TKL property from past Induced Polarization Surveys carried out in 2004-2005 by previous property optionor Hinterland Metals Inc. In addition, approximately 300 meters east of the TKL property, a 1991 Humus Geochemical Survey also outlined several gold and base metal anomalies.

Other past work on the property includes a historic drill hole by Kerr-Addison Mines Ltd. in 1965 (DDH 65-2) on the east boundary of the TKL property, which intersected highly anomalous gold, copper and zinc values over a core length interval of 32 feet within the basement volcanic package (Ontario Department of Mines, Kirkland Lake, Ontario, Office Assessment Files).

The basement volcanic package in this area consists of mafic-ultra mafic volcanics, with gabbro units, syenites and conglomerates.

The field program consisted of trenching and the drilling of one hole of approximately 200m. In October 2014, the Company completed the trenching and diamond drill program and announced the field results. Some anomalous silver and copper values were encountered over narrow widths in the drill program with no significant gold values present from assaying of drill core. No further drilling is planned at this time. Assaying was carried out by Swastika Laboratories of Kirkland Lake, Ontario.

Mr. Robert Laakso, P.Eng., is the Independent Qualified Person who has prepared or supervised the preparation of the information that forms the basis for the scientific and technical disclosure in the above text.

4.12 Bro Property (South Eastern Yukon Territory)

Pursuant to an agreement dated October 28, 2009, the Company acquired a 100% interest in four mineral claims known as the Bro Property located about 120 road kilometres southeast of Faro, Yukon Territory, Canada, for consideration of the issuance of 166,666 common shares of the Company (issued November 5, 2009). The property is subject to a 2% net smelter royalty, of which the Company may purchase one-half at any time for $1,000,000. A finder's fee of 12,500 common shares was paid in connection with the acquisition.

During the year ended August 31, 2015, the Company expended $nil on the Bro property.

The Bro property is primarily a silver, lead, zinc prospect with exploration potential for gold and copper. Historical work on the property including surface work carried out by Noranda between 1975 and 1979, and other operators to 1994, confirmed that the property hosts the above noted base and precious metal mineralization.

Several historical geological reports' conclusions were to conduct more drilling to determine the source of the +/- 40 meter wide massive gossan zone with high values of up to 5.5 % copper, 34 % lead, 1.4 % zinc, 550 grams per ton silver, and 2.7 grams per ton gold.

Prior Noranda diamond drilling returned gold values as high as 0.33 ounces (11 grams) per ton gold over 5.3 feet.

The property is located in the Ketza-Seagull district of the Cassiar Terrane. The Ketza-Seagull district is underlain by thick successions of miogeoclinal clastic, volcanic and carbonate rocks, ranging in age from Upper Proterozoic to Mississippian that were deformed during the Mesozoic arc-continental collision. Fonseca (1998) attributes mineralization in the Ketza Mine area, (Minefile Occurrence 105F019) consisting of gold rich manto, magnetite-gold scarns and oxide gold occurrences and deposits. Similar mineralizing events may be present in the Seagull area where the Bro property is located.

4.13 Teck-Kirkland Property (Kirkland Lake, Ontario)

Pursuant to an agreement dated September 10, 2012, as amended September 9, 2013, the Company acquired an option to purchase a 100% interest, subject to retained royalty, in 46 mineral claims located near Kirkland Lake in northeastern Ontario, collectively known as the Teck-Kirkland Property. The Company decided to abandon the Option, and accordingly $545,176 in exploration and acquisition costs were written off as an impairment loss during the year ended August 31, 2014.

4.14 Retained Royalty on Cura Este Property (Valle del Cura, Argentina)

In October 2000, the Company entered into an agreement with Barrick Gold Corporation ("Barrick") to sell the Company's interests in the Cura Este property, Argentina, for U.S. $350,000 and a retained 1% net smelter return on production from the properties sold. As of September 2012, there has been no production or sale of products extracted from the properties subject to the agreement.

5. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q4 Aug 31, 2015 $	Q3 May 31, 2015 $	Q2 Feb 28, 2015 $	Q1 Nov 30, 2014 $
Total revenue	-	-	-	-
Net and comprehensive income (loss) for the period	(21,310)	(22,266)	(42,255)	(72,066)
Net income (loss) per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)

	Q4 Aug 31, 2014 $	**Q3 May 31, 2014 $**	**Q2 Feb 28, 2014 $**	**Q1 Nov 30, 2013 $**
Total revenue	-	-	-	-
Net and comprehensive income (loss) for the period	(625,192)	(111,374)	(32,920)	(350,791)
Net income (loss) per share, basic and diluted	(0.05)	(0.01)	(0.00)	(0.04)

5.1 Total Revenue

Because the Company is in the exploration stage, it did not earn any significant revenue.

5.2 Earnings (Loss) for the Period

The following table presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim financial statements that helps to explain significant contributions to the variance in earnings (loss) across each period.

	Q4 Aug 31, 2015 $	**Q3 May 31, 2015 $**	**Q2 Feb 28, 2015 $**	**Q1 Nov 30, 2014 $**
Expenses				
Depreciation	256	256	522	608
Employee costs	7,359	9,884	10,612	11,384
Finance (income) expense	-	-	-	(161)
General and administrative expenses	21,866	12,126	28,480	41,905
Impairment of exploration and evaluation asset	-	-	-	-
Total expenses	(29,481)	(22,266)	(39,614)	(53,736)
Other items	8,171	-	(2,641)	(18,330)
Net and comprehensive loss for the period	(21,310)	(22,266)	(42,255)	(72,066)

	Q4 Aug 31, 2014 $	**Q3 May 31, 2014 $**	**Q2 Feb 28, 2014 $**	**Q1 Nov 30, 2013 $**
Expenses				
Depreciation	806	732	702	702
Employee costs	27,275	27,327	34,948	63,625
Finance expense	(107)	465	161	-
General and administrative expenses	56,036	70,221	105,542	91,262
Impairment of exploration and evaluation asset	545,176	-	-	-
Total expenses	(629,186)	(98,745)	(141,353)	(155,589)
Other items	3,994	(12,629)	108,433	(195,202)
Net and comprehensive loss for the period	(625,192)	(111,374)	(32,920)	(350,791)

5.21 Total Expenses

Depreciation expense on office furniture and equipment has been consistent across the eight most recently completed fiscal quarters. The Company disposed of furniture and office equipment with a net book value of $7,641 in January 2015.

Employee costs and general and administrative expenses decreased over the course of the eight most recently completed fiscal quarters as a reflection of decreased exploration activities and the reduction of operational expenditures.

The Company recorded an impairment of exploration and evaluation assets of $545,176 for the quarter ended August 31, 2014 related to the abandonment of the Teck-Kirkland property option.

5.22 Other Items

The following table presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim financial statements that helps to explain significant contributions to the variance in other items across each period.

	Q4 Aug 31, 2015 $	Q3 May 31, 2015 $	Q2 Feb 28, 2015 $	Q1 Nov 30, 2014 $
Unrealized gains (losses) on investments	-	-	-	-
Gain (loss) on sale of investments	-	-	-	(18,330)
Loss on disposal of equipment	-	-	(2,641)	-
Gain on debt settlement	8,171	-	-	-
Interest income	-	-	-	-
	8,171	-	(2,641)	(18,330)

	Q4 Aug 31, 2014 $	Q3 May 31, 2014 $	Q2 Feb 28, 2014 $	Q1 Nov 30, 2013 $
Unrealized gains (losses) on investments	3,364	(33,703)	159,593	(124,369)
Gain (loss) on sale of investments	630	21,041	(51,160)	(70,954)
Loss on disposal of equipment	-	-	-	(325)
Gain on debt settlement	-	-	-	-
Interest income	-	33	-	446
	3,994	(12,629)	108,433	(195,202)

Unrealized gains (losses) on investments record the changes in fair market value of the Company's investments in SGR, CGM and RTM.

Gains and losses on disposal of investments relate to the sale of SGR, CGM and RTM.

During the three months ended February 28, 2015, the Company sold furniture and equipment with a net book value of $7,641 for proceeds of $5,000.

The Company's interest income is derived from its term deposits held with BMO Bank of Montreal.

6. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management has been successful in raising equity financing in the past. However, there is no assurance that it will be able to do so in the future.

Cash and cash equivalents at August 31, 2015 were $6,844 compared to $56,403 as at August 31, 2014. Working capital deficit was $16,844 at August 31, 2015 compared to a surplus of $81,348 at August 31, 2014.

Factors that could impact on the Company's liquidity are monitored regularly and include changes in the market value of the Company's investments, market changes, gold price changes, and economic downturns that affect the market price of the Company's trading securities for the purposes of raising financing. The current state of equity markets presents a challenge to raise financing and Management believes that this condition will continue over the next twelve months.

During the year ended August 31, 2015, the Company sold 244,260 shares of RT Minerals Corp. for net proceeds of $1,211.

As at August 31, 2015, the Company had amounts and other receivable of $1,201 that consists of GST input tax credits and $1,123 in related party receivable owing by a company with common directors.

Prepaid expenses were $2,397.

The Company has trade and other payables of $26,585 at August 31, 2015.

Due to related parties of $701 is owed to directors and officers of the Company and companies with related directors for salaries and expense reimbursements, which is due on demand and is non-interest bearing.

The Company has no other debt or debt arrangements.

On December 29, 2014, the Company raised gross proceeds of $102,029 by way of a non-brokered private placement consisting of 10,202,900 common shares at a price of $0.01 per share, pursuant to a discretionary waiver of the $0.05 minimum pricing requirement granted by the TSX Venture Exchange (the "Offering"). The proceeds from the Offering were used to pay outstanding accounts payable and for general working capital.

Subsequent to year end, on December 2, 2015, the Company received an unsecured third party demand loan of $9,000 bearing interest at 8% per annum.

Subsequent to year end, on December 22, 2015, the Company announced that it has settled the principal terms of a property purchase and sale agreement that includes a unit private placement (the "Offering") to raise up to $500,000 at a minimum price of $0.05 per unit, with each unit comprised of one share and one warrant exercisable at a minimum price of $0.05 for a term of five years. Up to $400,000 of the Offering will consist of flow-through units. Closing of the transactions contemplated hereby is subject to the conclusion of further documentation, approval by shareholders of the Company, and TSX Venture Exchange acceptance to the transactions contemplated hereby, provided that if any of the conditions set out herein are not satisfied by March 31, 2016, the agreement shall terminate and be of no further force and effect.

7. CAPITAL RESOURCES

The Company holds 100% interest in the TKL Teck and Bro properties and has no exploration expenditure requirements to maintain the properties in good standing.

The Company does not have any commitments for capital expenditures.

The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

8. OFF-BALANCE SHEET ARRANGEMENTS

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

9. TRANSACTIONS BETWEEN RELATED PARTIES

Office expenses of $19,117 (2014 – $24,747) were recovered from a company with common directors that is co-tenant to the Company's office premises lease. At August 31, 2015, $1,123 (2014 – $14,901) was included in amounts and other receivable.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer. Key management personnel compensation is comprised of the following:

	2015	**2014**
	$	**$**
Short term employee benefits and director fees	34,025	164,955
	34,025	164,955

During the year ended August 31, 2015, the Company paid $26,591 (2014 - $68,975) in salary to the Chief Financial Officer.

During the year ended August 31, 2015, the Company paid $7,434 (2014 - $95,980) in consulting and project management fees to directors and officers of the Company as well as companies with common directors.

As at August 31, 2015, the Company has $701 (2014 - $8,386) due to related parties which consists of amounts owed to directors and officers of the Company as well as companies with common directors for salaries, fees and expense reimbursements, which is due on demand and is non-interest bearing.

Other than the reimbursement of general administrative and business expenses, no other monies were paid to related parties. All related party transactions are in the normal course of business and priced within industry standards and are subject to compensation committee review and reporting to the board of directors.

10. FOURTH QUARTER

N/A

11. PROPOSED TRANSACTIONS

See Section 1.3 “Proposed Property Acquisition, Private Placement, and Corporate Restructuring” above.

12. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

The IASB issued a number of new and revised IASs, IFRSs, amendments and related IFRICs which are effective for the Company's financial year beginning on September 1, 2014. The mandatory adoption of these standards did not have a significant impact on the Company's financial statements. Specifically, the Company has adopted all the following new standards relevant to the Company for the year ended August 31, 2015:

- IAS 32 'Financial Instruments: Presentation' - Amendments

  On May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36, requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed.

- IAS 36 – Impairment of Assets

  In May 2013, the IASB issued an amendment to address the disclosure of information about the recoverable amount of impaired assets or a cash-generating until ("CGU") for periods in which an impairment loss has been recognized or reversed. The amendments also address disclosure requirements applicable when and asset's or a CGU's recoverable amount is based on fair value less costs of disposal

NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended August 31, 2015, and have not been applied in preparing these financial statements.

The following new standards, amendments and interpretations that have not been early adopted in these financial statements, are not expected to have a material effect on the Company's future results and financial position:

- IFRS 15 – Revenue from Contracts with Customers

  In May 2014, IFRS 15 was issued and replaces IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers and SIC-31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a single five –step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

- IFRS 9 'Financial Instruments'

  IFRS 9 is part of the IASB's wider project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

13. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Fair values

The Company's financial instruments includes cash and cash equivalents, investments, trade payables and amounts due to related parties. The fair value of these financial instruments approximates their carrying values due to the relative short-term maturity of these instruments.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	August 31, 2015		August 31, 2014	
	Fair Value $	Carrying Value $	Fair Value $	Carrying Value $
FVTPL assets (i)	6,844	6,844	75,944	75,944
Loans and receivables (ii)	1,123	1,123	18,601	18,601

(i) Cash and cash equivalents and investments
(ii) Other receivable

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at August 31, 2015	Level 1 $	Level 2 $	Level 3 $	Total $
Cash	6,844	-	-	6,844

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates.

Credit Risk

Credit risk is the risk of an unexpected loss associated with counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash and cash equivalents and other receivable. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash and cash equivalents with high credit chartered Canadian financial institutions. As at August 31, 2015, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its accounts payable and amounts due to related parties. The Company handles its liquidity risk through the management of its capital structure as described in Note 14 of the financial statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

The following are the contractual maturities of financial liabilities as at August 31, 2015:

	Carrying Amount $	Contractual Cash Flows $	Within 1 year $	Within 2 years $	Within 3 years $	Over 3 years $
Trade payables	3,769	3,769	3,769	-	-	-
Due to related parties	701	701	701	-	-	-
Total	4,470	4,470	4,470	-	-	-

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's functional currency is the Canadian dollar. All of the Company's financial instruments are denominated in Canadian dollars and all current exploration occurs within Canada. In management's opinion there is no significant foreign exchange risk to the Company.

14. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at December 23, 2015, the Company has 22,661,874 common shares issued and outstanding.

As at December 23, 2015, the Company has 2,000,000 share purchase warrants exercisable at $0.06 until December 27, 2015, and 2,000,000 share purchase warrants exercisable at $0.06 until December 27, 2018.

As at December 23, 2015, the Company had no outstanding stock options.

15. BOARD OF DIRECTORS AND OFFICERS

The directors of the Company are Ferdynand (Fred) Kiernicki (President and CEO), Paul Antoniazzi, Mark Lofthouse, and Edmond Hatoum. The Chief Financial Officer and Corporate Secretary is Sandra Wong.

16. DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

In contrast to the disclosure required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Company is a venture issuer and as such is not required to perform an evaluation of disclosure controls and procedures annually nor to disclose management's conclusions about the effectiveness of these disclosure controls and procedures in its annual MD&A.

The Company does not make representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the Company does not make any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

Management is responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in its annual and interim filings. Investors should be aware that inherent limitations on the ability of management of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

17. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion and Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the period ended August 31, 2015 filed with the securities regulatory authorities in Canada and available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

18. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and one of its members is an independent director. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors.

OPAWICA EXPLORATIONS INC.

Ferdynand (Fred) Kiernicki

President and Chief Executive Officer