



**INTERNATIONAL PROSPECT VENTURES LTD.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**

**DATED: November 27, 2024**

## **SCOPE OF THIS MANAGEMENT'S DISCUSSION AND ANALYSIS AND NOTICE TO INVESTORS**

This management's discussion and analysis of financial position and results of operations ("MD&A"), is prepared as of November 27, 2024, and complements the unaudited condensed interim consolidated financial statements of International Prospect Ventures Ltd. (the "Company" or "International Prospect"), for the three and nine months ended September 30, 2024 and 2023.

The condensed interim consolidated financial statements and related notes have been prepared in accordance with IAS 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board. They do not contain all the information required to be disclosed in annual financial statements. Certain information and notes usually provided in the annual financial statements have been omitted or condensed when not deemed essential to the understanding of the interim financial information of the Company. Therefore, this MD&A should be read in conjunction with the information contained in the annual audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2023. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are in Canadian dollars unless otherwise indicated.

The unaudited condensed interim consolidated financial statements and the MD&A have been reviewed by the Audit Committee and approved by the Company's Board of Directors on November 27 2024. These documents and more information about the Company are available on SEDAR+ at [www.sedar.com](http://www.sedar.com).

## **FORWARD LOOKING STATEMENTS**

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results are summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the

impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

## **ABOUT INTERNATIONAL PROSPECT VENTURES LTD.**

International Prospect Ventures Ltd., ("International Prospect" or the "Company"), incorporated on February 18, 2010 under the Business Corporations Act of British Columbia, is involved in the process of exploring, evaluating and promoting its mineral properties and other projects.

The head office of the Company is located at 152 Chemin de la Mine École, Val-d'Or, Québec, J9P 7B6. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has exploration offices located at 2772 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9.

International Prospect is the parent company of Valroc Ventures Pty Ltd. ("Valroc"), a New South Wales company, located in Australia. The Company's common shares trade on Tier 2 of the TSX Venture Exchange under the trading symbol "IZZ".

As at September 30, 2024, Gold Royalty Corp. ("Gold Royalty") is the Company's largest shareholder, holding indirectly through its subsidiary Golden Valley Abitibi Royalties Ltd. ("Golden Valley") 9.70% of the issued and outstanding shares (December 31, 2023 – 11.08%).

## **BUSINESS OVERVIEW**

International Prospect is a natural resource issuer involved in the process of acquiring and exploring mineral property assets. The Company uses its wholly owned subsidiary Valroc, a New South Wales company, to carry out business in Australia.

To complement its current property interests in Western Australia and elsewhere in Australia, Valroc evaluates regularly new opportunities.

The Company holds one exploration property in Canada: the Porcupine Miracle Prospect (gold) within Langmuir Township in north-eastern Ontario. The Company is seeking a partner for the formation of a joint venture or for an outright sales transaction.

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS**

International Prospect Ventures strives to ensure that its exploration activities support environmental sustainability and social responsibility. International Prospect Ventures also makes every effort to ensure that it meets or exceeds all required standards of corporate governance, following industry best practices and satisfying legal and regulatory requirements.

## **CORPORATE DEVELOPMENTS**

On April 4, 2024, the Company announced the closing of a non-brokered private placement offering for gross proceeds of \$305,000. The Company issued 6,100,000 units at a per unit price of \$0.05, each unit is comprised of one common share in the capital of the Company and one-half of one non-transferable

share purchase warrant, each whole warrant entitling the purchase of one common share at a per share price of \$0.07 until April 4, 2026.

The Company also announced that it had issued 1,200,000 common shares at a deemed per share price of \$0.05 in settlement of an aggregate of \$60,000 in accrued debt owing.

### **AUSTRALIAN EXPLORATION PROPERTY PORTFOLIO (VALROC)**

The Company holds properties and performs exploration activities in Australia through its subsidiary Valroc. International Prospect holds 100% of the equity in Valroc (see news release dated January 31, 2019) and has advanced all necessary funding for corporate and exploration expenditures.

#### **Property Holdings**

As part of its ordinary business activities, the Company acquires new prospective tenements to enhance its existing property portfolio or to pursue new geological ideas and/or drops tenements that are no longer considered to be material based on results or changing commodity prices over time.

As of September 30, 2024, Valroc held a total of 14 tenements covering an area of 11,790 hectares.

The Company aims to add value to the tenements with the completion of some early-stage exploration programs, and then seeks partners to further advance the exploration on some of the more advanced properties retaining NSR royalties.

#### **Exploration Programs**

The Company uses its network of independent local prospectors to gather information about gold-bearing structures on its tenements. This is a low-cost, but effective way to target specific areas, where traditional exploration programs will be deployed as circumstances and financings permit.

In November and December 2023, the Company met with local prospectors to gain an on-site overview over the gold-bearing structures on the various tenements. An additional site visit took place after the current quarter end in November 2024. The follow-up site visit served the purpose to prepare the plans for additional work and to assess the costs associated with specific programs. The execution of the more expensive exploration programs will depend on the availability of internal and/or external financing sources.

### **CANADIAN EXPLORATION PROPERTY PORTFOLIO**

After the sale of its Uranium Portfolio, the Company holds only one exploration property in Canada: The Porcupine Miracle Prospect (gold) within Langmuir Township in north-eastern Ontario. The Company is seeking a partner for the formation of a joint venture or for an outright sales transaction.

## SELECTED FINANCIAL INFORMATION

	As at September 30, 2024	As at December 31, 2023
Cash	\$ 89,422	\$ 41,785
Other assets	12,490	13,948
Investments	427,500	540,000
<b>Total Assets</b>	<b>\$ 529,412</b>	<b>\$ 595,733</b>
Accounts payable and accrued liabilities	\$ 17,976	\$ 54,363
Due to related parties	134,146	134,667
<b>Total Liabilities</b>	<b>\$ 152,122</b>	<b>\$ 189,030</b>
<b>Total Equity</b>	<b>377,290</b>	<b>406,703</b>
<b>Total Liabilities and Equity</b>	<b>\$ 529,412</b>	<b>\$ 595,733</b>

### TOTAL ASSETS

#### *Cash*

The Company ended the third quarter of 2024 with cash of \$89,422 compared to \$41,785 as at December 31, 2023.

Refer to *Cash Flow Analysis* section below for further discussion on the Company's cash position and changes thereof for the nine months ended September 30, 2024 and 2023.

#### *Other assets*

Other current assets of \$12,490 as at September 30, 2024 (December 31, 2023 - \$13,948) included sales taxes recoverable of \$4,723 (December 31, 2023 - \$3,810), and prepaid insurance of \$7,767 (December 31, 2023 - \$5,178) and deposits of \$nil (December 31, 2023 - \$4,960).

#### *Investments*

The short-term portion of investments of \$187,500 as at September 30, 2024 (December 31, 2023 - \$300,000) is comprised of marketable securities of a publicly traded mining exploration company, that are recorded at fair value using quoted market prices. The cost of the investments on the acquisition date was \$300,000.

The long-term portion of investments of \$240,000 as at September 30, 2024 (December 31, 2023 - \$240,000) is comprised of common shares of a private mining exploration company, that do not have a quoted market price in an active market. The Company assessed the fair value of these shares based on the private company's most recent financing price of \$0.09 per common share. The cost of the investments on the acquisition date was \$240,000.

## TOTAL LIABILITIES

Total liabilities of \$152,122 as at September 30, 2024 (December 31, 2023 - \$189,030) consisted of trade payables and accrued liabilities of \$17,976 (December 31, 2022 - \$54,363) and due to related parties of \$134,146 (December 31, 2023 - \$134,667).

As discussed further in the related party transactions section below, amounts due to related parties of \$134,146 (December 31, 2023 - \$134,667) consisted of consulting fees of \$84,000 (December 31, 2023 - \$102,000) payable to key management personnel, royalty advance payable of \$20,000 (December 31, 2023 - \$10,000) due to 2973090 Canada Inc, director fee payable of \$9,000 (December 31, 2023 - \$6,000), rent payable of \$10,347 (December 31, 2023 - \$6,899) due to Val-d'Or Mining Corporation, amount of \$9,074 (December 31, 2023 - \$9,768) for geology expenses due to the President and CEO and amount of \$1,725 (December 31, 2023 - \$nil) for accounting services due to an individual related to the a director of the Company.

## EQUITY

Equity totalled \$377,290 as at September 30, 2024 compared to \$406,703 as at December 31, 2023, which decrease was related the net loss and comprehensive loss of \$351,788 for the nine months ended September 30, 2024, offset by gross proceeds of \$305,000 from the closing of a non-brokered private placement offering whereby the Company issued 6,100,000 units at a per unit price of \$0.05, and the issuance of shares, fair value valued at \$48,000, relating to the settlement of debt as further described in the related party transaction section below.

## DISCUSSION AND RESULTS OF OPERATIONS

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
		(Restated) <sup>1</sup>		(Restated) <sup>1</sup>
Operating expenses	\$ 103,932	\$ 130,170	\$ 295,260	\$ 338,386
Other expenses (income)	112,586	(454)	56,528	4,339
<b>Net loss and comprehensive loss</b>	<b>\$ (216,518)</b>	<b>\$ (129,716)</b>	<b>\$ (351,788)</b>	<b>\$ (342,725)</b>
<b>Basic and diluted net loss per common share</b>	<b>\$ (0.004)</b>	<b>\$ (0.003)</b>	<b>\$ (0.006)</b>	<b>\$ (0.007)</b>

### Three months ended September 30, 2024 compared to three months ended September 30, 2023:

Operating expenses for 2024 compared to the same period in 2023 were lower due timing of professional fees for legal services rendered to the Company and lower exploration and evaluation expenses relating to licences and permits.

<sup>1</sup> During the year ended December 31, 2023, the Company changed its accounting policy from capitalization of exploration and evaluation costs to expensing these costs. The quarterly information above has been restated to reflect the results of this change in accounting policy. See Note 4 of the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2023 for further details.

Other expense of \$112,586 for 2024 substantially consisted of an unrealized loss of \$112,500 on the change in fair value of investment in marketable securities of a publicly traded mining exploration company, that are recorded at fair value using quoted market prices.

*Nine months ended September 30, 2024 compared to nine months ended September 30, 2023:*

Operating expenses for 2024 compared to the same period in 2023 were lower due timing of professional fees for legal services rendered to the Company and lower exploration and evaluation expenses relating to licences and permits.

Operating expenses of \$56,528 for 2024 consisted mainly of an unrealized loss of \$112,500 on the change in fair value of investment in marketable securities of a publicly traded mining exploration company, that are recorded at fair value using quoted market prices, offset by the forgiveness of \$45,000 and a gain of \$12,000 relating to the settlement of debt for consulting services rendered by key management of the Company and for director fees as further described in the related party transaction section below.

## **CASH FLOW ANALYSIS<sup>1</sup>**

	<b>For the nine months ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
		(Restated) <sup>1</sup>
Cashflows used by operating activities	\$ (226,738)	\$ (312,807)
Cashflows from financing activities	274,375	-
Increase (decrease) in cash	\$ 47,637	\$ (312,807)
Cash, beginning of period	41,785	409,808
Cash, end of period	\$ 89,422	\$ 97,001

Cash outflows from operating activities for the nine months ended September 30, 2024 totalled \$226,738 compared to \$312,807 for the same period in 2023. The lower cash outflows from operating activities for 2024 were related to lower exploration and evaluation expenses and professional fees.

Cash inflows from financing activities for the nine months September 30, 2024 totalled \$274,375 compared to cash inflows of \$nil for the same period in 2023. The cash inflows for 2024 were from the closing of a non-brokered private placement offering, whereby the Company issued 6,100,000 units at a per unit price of \$0.05, for gross proceeds of \$305,000, net of share issuance costs of \$22,100.

<sup>1</sup> During the year ended December 31, 2023, the Company changed its accounting policy from capitalization of exploration and evaluation costs to expensing these costs. The quarterly information above has been restated to reflect the results of this change in accounting policy. See Note 4 of the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2023 for further details

## SUMMARY OF QUARTERLY RESULTS

The following selected financial information is for the 8 most recently completed quarters as derived from the Company's respective consolidated financial statements and notes thereto. The following information should be read in conjunction with the referenced consolidated financial statements, the notes to those statements and "Results of Operations" herein.

	Sept 2024	Jun 2024	Mar 2024	Dec 2023	Sept 2023	Jun 2023	Mar 2023	Dec 2022
				(Restated) <sup>1</sup>	(Restated) <sup>1</sup>	(Restated) <sup>1</sup>	(Restated) <sup>1</sup>	(Restated) <sup>1</sup>
Operating expenses (income)	103,932	102,367	88,961	\$ (355,912)	\$ 130,170	\$ 88,095	\$ 120,121	\$ 122,172
Other expenses (income)	112,586	(131,779)	75,721	423	(454)	2,678	2,115	1,302
Net loss (income) and comprehensive loss (income)	216,518	(29,412)	164,682	\$ (355,489)	\$ 129,716	\$ 90,773	\$ 122,236	\$ 123,474
Basic and diluted net loss (income) per common share	0.004	(0.001)	0.003	(0.007)	0.003	0.002	0.002	0.003

## LIQUIDITY, CAPITAL RESOURCES AND SOURCES OF FINANCING

The Company's objectives in managing capital are to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects and ultimately taking them through to production either with partners or by the Company's own means or sale.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve. The Company monitors capital on the basis of the carrying amount of equity.

Readers are invited to refer to the Risk and Uncertainties section for more information.

## COMMITMENTS

### *Exploration expenditure commitment*

In order to maintain the Company's interest in mining tenements in Australia, the Company is committed to meet the annual minimum expenditure of approximately \$262,000 (or AUD\$281,000) under which the tenements were granted.

<sup>1</sup> During the year ended December 31, 2023, the Company changed its accounting policy from capitalization of exploration and evaluation costs to expensing these costs. The quarterly information above has been restated to reflect the results of this change in accounting policy. See Note 4 of the condensed interim consolidated financial statements for the three months ended March 31, 2024 and 2023 for further details

### *Advance royalty payments*

Advance royalty payments of \$10,000 per annum is payable by the Company.

### *Consulting fee commitments*

The Company is party to certain management contracts and severance obligations. Minimum commitments under these contracts due within one year are \$18,500.

## **RELATED PARTY TRANSACTIONS**

### *a) Transactions with key management*

Key management personnel of the Company comprise of the members of the Board of Directors, as well as the President and Chief Executive Officer, Vice President Exploration, and the Chief Financial Officer. The compensation paid to key management is presented below:

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Key senior management fees	\$ 54,000	\$ 54,000	\$ 162,000	\$ 162,000
Other fees	4,500	4,500	13,500	13,500
Royalty	10,000	10,000	10,000	10,000
	\$ 68,500	\$ 68,500	\$ 185,500	\$ 185,500

### Key senior management fees

For the three and nine months ended September 30, 2024, consultant fees of \$54,000 (2023 - \$54,000) and \$162,000 (2023 - \$162,000), respectively were paid to key management personnel of which \$45,000 (2023 - \$45,000) and \$135,000 (2023 - \$135,000) were recorded under exploration and evaluation expense and of \$9,000 (2023 - \$9,000) and \$27,000 (2023 - \$27,000) were recorded under General and administrative expenses in the condensed interim consolidated statements of net loss and comprehensive loss.

On April 4, 2024, the Company issued 1,200,000 common shares in settlement of an aggregate of \$60,000 in accrued debt owing to key management personnel of the Company. The issuance of 1,200,000 common shares, fair valued at \$48,000, as debt settlement resulted in a gain on settlement of \$12,000. In addition, as part of the debt settlement, key management personnel of the Company also forgave an additional \$45,000 owed for consulting services rendered to the Company and for director fees.

As at September 30, 2024, the Company had indebtedness of \$93,000 (December 31, 2023 - \$108,000) in consultant and director fees due to key management personnel, of \$20,000 (December 31, 2023 - \$10,000) in royalty advance due to 2973090 Canada Inc, and of \$9,074 (December 31, 2023 - \$9,768) for geology expenses due to the President and CEO, which are included in due to related parties. The amounts are unsecured, non-interest bearing and has no fixed terms of repayment.

### Other fees

For the three months and nine ended September 30, 2024, the Company incurred fees of \$4,500 (2023 - \$4,500) and \$13,500 (2023 - \$13,500) with an individual, the spouse of one of the Company's directors, as part of a consulting agreement for accounting services. These fees were recorded under General and administrative expenses in the condensed interim consolidated statements of net loss and comprehensive loss. As September 30, 2024, the Company had net indebtedness of \$1,725 (December 31, 2023 - \$nil) due to the individual, which is included in due to related parties.

### Royalty

The Company owns a 100% interest in the Porcupine Miracle Project located in Langmuir Township in the Province of Ontario, Canada. The Property is subject to an NSR royalty in favor of 2973090 Canada Inc, a company controlled by the President, CEO and Director, equal to 3% of net smelter returns. Advance royalty payments of \$10,000 per annum are payable by the Company, which commenced in 2017; the advance royalty payments will be deducted from the amounts payable under the royalty. As at September 30, 2024, advance royalty payment of \$20,000 remain outstanding, which is included in due to related parties.

#### *b) Transactions with related parties*

Effective January 1, 2023, the Company entered into a rental arrangement with Val-d'Or Mining Corp, a company related by common management, relating to the exploration offices located at 2772 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9, in consideration of \$12,000 per year, payable on a monthly basis.

For the three and nine months ended September 30, 2024, the Company incurred rent to Val-d'Or Mining in the amount of \$3,000 (2023 - \$3,000) and \$9,000 (2023 - \$9,000), respectively.

As September 30, 2024, the Company had net indebtedness of \$10,347 (December 31, 2023 - \$6,899) due to Val-d'Or Mining, which is included in due to related parties.

### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements.

### **JUDGMENT, ESTIMATES AND ASSUMPTIONS**

The judgements, estimates and assumptions used by management are described in note 5 of the audited consolidated financial statements for the year ended December 31, 2023.

### **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

The changes in accounting policies including those that have not been adopted are explained in note 4 of the audited consolidated financial statements as at December 31, 2023.

## RISKS RELATED TO FINANCIAL INSTRUMENTS

Please refer to note 13 “Financial Assets and Liabilities” of the audited consolidated financial statements of the Company for the year ended December 31, 2023 for a full description of these risks.

## INFORMATION ON OUTSTANDING SECURITIES

The following table sets out the number of common shares and options outstanding as of the date hereof:

<b>Common shares outstanding:</b>	58,461,798
<b>Stock options outstanding:</b>	5,495,000
<b>Share purchase warrants outstanding:</b>	8,160,000

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number of stock options outstanding</b>
June 26, 2025	\$ 0.115	365,000
July 10, 2027	\$ 0.050	1,315,000
December 12, 2027	\$ 0.265	495,000
October 18, 2029	\$ 0.045	3,320,000
	\$ 0.071	5,495,000

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number of warrants outstanding</b>
December 8, 2024	\$ 0.09	5,000,000
April 4, 2026	\$ 0.07	3,160,000
	\$ 0.08	8,160,000

## RISKS AND UNCERTAINTIES

An investment in the common shares of the Company involves a high degree of risk and must be considered highly speculative due to the financial and operational risks inherent to the nature of the Company's business and the present stage of exploration and development of its mineral resource properties. These risks may affect the Company's eventual profitability and level of operating cash flow. Prospective buyers of the common shares of the Company should consider the following risk factors:

### Climate Change

The Company has properties and joint venture agreements in various regions and jurisdictions where environmental laws are evolving and are not consistent. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impact of climate change, such as regulation relating to emission levels. If the current regulatory trend continues, this may result in increased costs directly or indirectly affecting the Company. In addition, the physical effect of climate change, such as extreme weather conditions, natural disasters, resource shortages, changing sea

levels and changing temperatures, could have an adverse financial impact on operations located in the regions where these conditions occur, directly or indirectly impacting the business of the Company.

#### Investment of Speculative Nature

Investing in the Company, at this early stage of its development, is of a highly speculative nature.

#### Nature of Mineral Exploration and Mining

There are no known mineral resources on the Company's properties. Mineral exploration and development involves a high degree of risk, requires substantial expenditures and few properties that are explored are ultimately developed into producing mines.

#### Exploration and Development Risks

Resource exploration and development is a speculative business, involving considerable financial and technical risks, including the failure to discover mineral deposits, market fluctuations and government regulations, which are beyond the control of the Company.

#### Country Risk

The Company has operations outside Canada in Australia. The Australian regulatory regime is generally stable. Country risk refers to the risk of investing in a country, dependent on changes in the business environment that may adversely affect operating profits or the value of assets in a specific country. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, civil war and other potential events contribute to companies' operational risks.

#### Additional Financing

Future exploration and development activities will require additional equity and debt financing. Failure to obtain such additional financing could result in delay or indefinite postponement of exploration and development of the property interests of the Company.

#### Stress in the Global Economy and Financial Condition

The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Adverse effects of coronavirus developments on consumer confidence, market stability and public health creates uncertainties on macroeconomic conditions and may also result in closures, cancellations of, or reductions in operations or production on properties where the Company holds royalty interests or investments.

#### Permits and Licenses

There can be no assurances that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations for its proposed projects.

### Competition

The mineral exploration and mining business is competitive in all of its phases. There is no assurance that the Company will be able to compete successfully with the competition in acquiring suitable properties or prospects for mineral exploration.

### No Assurance of Title to Property

The Company's claims may be subject to prior unregistered agreements or transfers or third party and aboriginal land claims and title may be affected by undetected defects.

### Dependence on Key Individuals

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

### Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake exploration and development activities in respect of present and future properties.

### Conflicts of Interest

The Directors and Officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. This situation may result in conflicting legal obligations which may expose the Company to liability to others and impair its ability to achieve its business objectives.

### Insurance

The Company will remain at risk and will be potentially subject to liability for hazards associated with mineral exploration which it cannot insure against or which it has elected not to insure against because of premium costs or other reasons.

### Influence of Third-Party Stakeholders

Claims by third parties on the lands in which the Company holds interests, or the exploration equipment and road or other means of access which the Company intend to utilize in carrying out work programs or general exploration mandates, even if not meritorious, may create delays resulting in significant financial loss and loss of opportunity for the Company.

### Fluctuation in Market Value of Shares

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the entity. The future effect of these and other factors on the market price of Company's shares on the Exchange cannot be predicted.