Management's Discussion & Analysis

Form 51-102F1

For the Nine Months Ended February 28, 2017

INTRODUCTION

The following management discussion and analysis ("MD&A") of the financial condition and results of operations of the iMetal Resources Inc. (the "Company") has been prepared by management, in accordance with the requirements of National Instrument of 51-102 as of April 24, 2017 and should be read in conjunction with the unaudited condensed consolidated financial statements for the nine months ended February 28, 2017 and 2016 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS), the audited consolidated financial statements and the related MD&A for the year ended May 31, 2016, and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and www.imetalresources.ca.

All financial information in this report has been prepared in accordance with IFRS and all monetary amounts referred to herein, are in Canadian dollars, unless otherwise stated.

FORWARD LOOKING INFORMATION

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes 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 statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimisation of operations at the properties; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

DESCRIPTION OF BUSINESS

iMetal Resources Inc. is a publicly listed company whose principal business activities are the exploration and development of mineral properties. The Company is focused on creating shareholder value by finding and developing precious and base metal resources in promising areas of the world. This wide commodity diversification reduces the risk to the Company from commodity price fluctuations. The Company has two 100% owned properties located in Ontario and Quebec, Canada. The Company is a reporting issuer in British Columbia and Alberta, and trades on the Tier 2 on the TSX Venture Exchange under the symbol “IMR” and on the Frankfurt, Berlin and Bremen exchanges under the symbol “A7V”.

SIGNIFICANT EVENTS

In September 2016, the Company announced that it has retained Calgary-based Stirling Merchant Capital Inc. (“Stirling”) to provide investor relations and marketing services, including organizing and coordinating road-shows, introducing management to market participants, and assisting with preparation and presentation of investor and marketing materials. Stirling's business is primarily focused on organizing road-shows for Canadian listed public companies. Stirling is operated by Sam Grier and Natalya Tatarinova. Combined they have over fifteen years experience as investor relations professionals. Stirling will assist the Company in fostering productive, continuing dialogues with analysts, brokers, investors and other investment professionals within the financial community. The investor relations agreement between the Company and Stirling shall have a term of twelve months unless extended by mutual agreement or terminated earlier by a party within 30 days written notice. Under the terms of the agreement, the Company will pay a monthly fee of $6,000 (plus GST and reimbursement of travel expenses) and 300,000 stock options in the capital of the Company, exercisable at $0.05 per share for a period of five years (issued in May 2016). The options are granted pursuant to the Company's Stock Option Plan and will vest in accordance with the provisions therein and the policies of the TSX Venture Exchange. Other than stock options, neither Stirling nor any of its directors, officers or employees has any interest, directly or indirectly, in the Company or its securities, or any right or intent to acquire such interest.

In November 2016, the Company entered into an option agreement of mineral properties in Gowganda, Ontario. Under the terms of the agreement, the vendors will receive $50,000 upon signing of a Definite Agreement (paid); and $50,000 each year for three years for a total of $150,000 starting in the year following the year of the initial $50,000 payment and the signing of a Definitive Agreement; the Company will issue 500,000 shares to the vendors upon the signing of a Definitive Agreement (issued); and issue 500,000 additional shares each year for three years for a total 1,500,000 shares, starting in the year following the year after the closing of a Definitive agreement.

In April 2017, the Company completed a non-brokered private placement by issuing 16,500,000 units for gross proceeds of $825,000. Each Unit consists of one common share (the “Shares”) and one share purchase warrant (the “Warrants”). Each Warrant entitles the holder to purchase one additional common share, exercisable at a price of $0.06 per share for a period of 24 months from the date of issue. The Company paid finder’s fees totaling $20,500 and 410,000 finder’s warrants exercisable at a price of $0.06 per share for a period of 24 months from the date of issue.

In April 2017, the Company announced the appointment of Jim Dawson, M.Sc., P.Eng., Brian Fagan, and Michael Blanchard as additions to the company’s Advisory Committee. Each of these gentlemen possess invaluable experience in their respective fields that will greatly contribute to iMetal’s success on all fronts.

Jim Dawson, M.Sc., P.Eng. is President of Dawson Geological Consulting Ltd., a successful thirty-five-year-old geological consulting company, headquartered in Vancouver, BC. He has been a Professional Consulting Geologist for over thirty years and a Director of Public Companies in the Mineral Resource Industry for over twenty. As a partner with Kerr, Dawson & Associates Ltd. from 1972 to 1985, he participated in the discovery of the Blackdome Mine, Frasergold and Taurus Properties in British Columbia, and the Big Horn Mine in Arizona. He was an Independent Director of Minefinders Corp. Ltd. for sixteen-years until it was acquired by Pan American Silver Corp. for $1.6-billion. He was a Director and Member of the Technical Advisory Board of Kaminak Gold Corp. since December 2006 until it was acquired by Goldcorp in May 2016 in an all-stock transaction valued at $520-million. Jim was also part of the original Pan Ocean team which made the discovery of the Lac Cinquante U-Mo Occurrence in 1975. Currently, he is a director of Kivalliq Energy Corp., Wealth Minerals Ltd., and New Dimension Resources. He graduated from Memorial University, Newfoundland, with a B.Sc. in 1960 and an M.Sc. in 1963. Jim’s input and insight on iMetal’s geological matters will be invaluable.

Brian Fagan has over 35-years of hands-on experience in all aspects of the mineral exploration sector and related securities business. Moving from Rhode Island, USA, to Vancouver, BC, with his wife and three young children in the early seventies, he immediately went to work in the securities business as a desk trader. In a very short-time-span, he advanced from desk trader, to floor trader, to Registered Representative, to Managing Director of a local Vancouver based Brokerage Firm. While still Registered, he brought his first mineral exploration company public on the former

Vancouver Stock Exchange (VSE). Shortly after that, he resigned from all his security company registrations and positions to concentrate on forming and managing public mineral exploration companies. During the following years he formed, financed, and managed three additional exploration companies through the facilities of the former VSE. Publicly and privately, he has operated and/or managed successful mineral property acquisition/exploration programs in Canada, United States, Mexico, and Argentina. In 1995, Brian launched The Fagan Report (TFR) a subscription based newsletter concentrating on Canadian listed resource companies. During the fifteen-year continuous publication of The Fagan Report, he was a sought-after speaker and commentator at major resource investment conferences, radio, TV, and financial publications. Brian currently publishes a complimentary online Digest, www.StocksAndSpeculations.com - An International Forum for Stock Speculators. iMetal is excited to have Brian accept a position on its Advisory Committee and provide his expertise, connections, and contributions to the daily operations of the company.

Michael Blanchard is a seasoned Digital Marketing executive with a focus on market penetration, online lead generation, increased investor engagement and interaction, effective social media, and mobile device presence. Previously a managing partner of WSI, the world's largest Digital Marketing agency, he is Google AdWords and Google Analytics Certified. He has worked with business leaders and entrepreneurs across Canada to cost effectively unlock the full potential of the Internet through innovative digital marketing. Michael is creating a digital platform that will enable iMetal to exponentially increase its ability to deliver its development story to the investment public.

In April 2017, the Company issued 1,250,000 stock options to consultants and advisors at an exercise price of $0.05 per share for a period of five years from the date of issue.

EXPLORATION ACTIVITIES

<u>Canadian Properties:</u>

The Carheil Property

In October 2015, the Company acquired mineral properties (43 claims) in Quebec from Skyworld Holdings Limited ("Skyworld"). The terms of the acquisition include:

- Skyworld will receive $15,000 upon signing of a definitive agreement (paid);
- Skyworld will receive $10,000 each year for five years for a total of $50,000 starting in the year following the year of the initial $15,000 payment and the signing of the definitive agreement (paid in full);
- The Company will issue 400,000 shares to Skyworld upon the closing of the transaction (issued at a value of $20,000);
- The Company will issue 500,000 additional shares per year each year for three years for a total of 1,500,000 shares, starting in the year following the year after the closing of the transaction (issued in full at a value of $75,000).

Finder's fees were paid in 190,000 shares valued at $9,500 to an arm's length third party in connection with this transaction. In August 2016, the Company renewed the 43 claims for two years and also staked and additional 189 contiguous claims for two years.

Skyworld is a private Ontario based company controlled by Ms. Lynn Norris. The Carheil property acquired from Skyworld encompasses approximately 5,400 acres, 100% owned contiguously, subject to a 3% NSR. The property is located approx. 280km NNW of Val-d'Or, Quebec and approx. 20km east of BHP Billiton Ltd's past producing Selbai Zinc mine. Part of the property (360 acres) was formerly explored by Noranda Exploration Co. Ltd. (Noranda), including a geophysical survey in August 1975.

A historical, non-43-101 compliant, geophysical survey report was filed with Quebec Ministry of Natural Resources, report number GM: 31366. The historical data therein was obtained by previous operators. iMetal has not completed the work necessary to verify the results and is not treating the results as 43-101 compliant. The property will require considerably further evaluation which iMetal intends to carry out in due course.

In March 2016, the Company announced that a diamond drilling program has commenced on the Carheil property. Carheil is located 130 km North of the town of La Sarre, in the Abitibi region of Quebec. The first hole is planned to "twin" a historical hole drilled by Noranda in 1978 and reported in the Quebec Ministry files. The Company will assess the deeper portions of the Carheil graphite zone with their drill program. The Company has recently obtained historical geophysical survey maps from the Ministry which provide detailed information on all electromagnetic and magnetic conductors on the property. The second drill hole in the Company's program will be planned according to results of both the drill data and the compiled information from the historic geophysics maps and report. The Company is planning to construct an all weather road for ease of access to their drill site thereby facilitating spring and summer exploration and year-round drilling. A secure core shack has been constructed for drillcore logging and sampling. Assays will be performed by Accurassay (Thunder Bay, Ontario) and will be reported when results are received.

In August 2016, the Company announced results from one of their three-hole diamond drill program on the Company's property in Carheil, Quebec and details from a petrology report by AGAT Laboratories (Calgary). DDH 1603 was drilled at a -55- degree angle intersecting graphitic sedimentary rocks at a depth of approx. 95 meters. Samples collected from the graphite zone represent a near perpendicular section through the sequence. A review of the petrology of the graphite intersection indicates the presence of Jumbo-sized graphite flakes in combination with Large and Medium to Small graphite flakes within a zone grading 1.67% Cg over 4.67 meters, from 144.56-149.23 meters in the hole. The Jumbo-sized flakes occur in a 1.1 meter sample grading 7.48% Cg. The largest Jumbo flake identified measured over 785 Microns, (a Jumbo flake is any flake that measures greater than 300 Microns). A petrology report from AGAT Laboratories in Calgary for the remaining 2 holes drilled 25 meters apart is pending. Previously, a review by IMR of historical geophysical survey reports based on exploration by Noranda Exploration and described in a March 7, 2016 news release, documented the presence of a strong several km-long electromagnetic conductor that extended beyond the Carheil property boundaries. On this basis the Company has exercised the option to acquire from Skyworld Holdings (see October 22nd, 2015 press release) full ownership of the Carheil property issuing a total of 1.9 Million shares. This will allow IMR to control 100% of this geophysical anomaly. An exploration program is now being planned to explore the EM conductor for additional graphite intersections. More detailed information is available on www.imetalresources.ca. The Carheil property is less than 20 km south east of the Detour Gold (DGC.TSX) mine and 20 km north of Hecla Mining's (HL.NYSE) Casa Berardi Gold Mine.

The Ontario Properties:

Gowganda Property

During the period ended February 28, 2017, the Company entered into an option agreement of mineral properties in Gowganda, Ontario. The terms of the option agreement include:

- The Vendors will receive $50,000 upon signing of a Definite Agreement (paid);
- The Vendors will receive $50,000 each year for three years for a total of $150,000 starting in the year following the year of the initial $50,000 payment and the signing of a Definitive Agreement;
- The Company will issue 500,000 shares to the vendors upon the signing of a Definitive Agreement (issued);
- The Company will issue 500,000 additional shares each year for three years for a total of 1,500,000 shares, starting in the year following the year after the closing of a Definitive agreement.

Temagami North Property

Temagami North Property originally comprised of several non-contiguous mining claim units in the New Liskeard/Cobalt kimberlite field in north-eastern Ontario. It is underlain by the same Archean basement rocks that host the Victor Pipe, near Attawapiskat, which De Beers brought into production in 2008, and subsequently won Mining Magazine's prestigious 'Mine of the Year' award in 2009. De Beers has reported a 36 million tonne inferred resource grading 0.43 carats per tonne. The Victor Pipe lies at the northern extension of the Lake Timiskaming Structural Zone (LTSZ), a broad northwesterly trending zone along which a number of kimberlite clusters occur. Following the LTSZ clusters south and east from Attawapiskat to Kirkland Lake and the New Liskeard/Cobalt area, more than 30 kimberlite pipes have been located, some of which are diamond bearing.

The Company holds certain claims on the Temagami North property. During the year ended May 31, 2016, certain claims expired and the Company wrote off a carrying value of $700,568.

RESULTS OF OPERATIONS

For the nine months ended February 28, 2017 and February 29, 2016

Revenues

Due to the Company's status as an exploration and development stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations. Its only source of revenue is interest income.

Operating expenses

The net loss for the period ended February 28, 2017, was $12,384 as compared to net income of $846,623 for the period ended February 29, 2016.

Consulting fees for the period ended February 28, 2017 was $133,263 compared to $174,300 for the period ended February 29, 2016. The decrease in consulting fees is a result of the fewer consulting activities and lower consulting fee rates in the current period.

Investor relations for the period ended February 28, 2017 was $12,000 compared to $Nil for the period ended February 29, 2016. The increase is due to an investor relations agreement signed in the current period.

Office and salaries for the period ended February 28, 2017 was $20,746 compared to $81,086 for the period ended February 29, 2016. The decrease is a result of fewer administration activities in the current period.

Transfer agent and listing fees for the period ended February 28, 2017 were $18,534 compared to $51,396 for the period ended February 29, 2016. The decrease is a result of fewer activities in the current year. The previous period included fees for the Company's stock option plan and AGM.

During the period ended February 28, 2017, the Company recorded a de-recognition on settlement of accounts payable of $259,670.

During the period ended February 29, 2016, the Company incurred a gain on settlement of debt of $1,256,257.

For the three months ended February 28, 2017 and February 29, 2016

Operating expenses

General and administrative expenses decreased by $31,405 for the three months period ended February 28, 2017 compared to the same period of the prior year. Office and salaries decreased by $41,015 due to a decrease of lower administrative activities and travel and promotion increased by $9,733 as a result of increased travel in the current period. The remaining general and administrative expenses were relatively comparable to the same period in the prior year.

Summary of Selected Highlights for the Last Eight Quarters

Description	February 28, 2017	November 30, 2016	August 31, 2016	May 31, 2016
Total revenues	$ Nil	$ Nil	$ Nil	$ Nil
Net income (loss)	(96,455)	169,277	(85,206)	(1,537,018)
Basic income (loss) per share	(0.00)	0.00	(0.00)	(0.04)

Description	February 29, 2016	November 30, 2015	August 31, 2015	May 31, 2015
Total revenues	$ Nil	$ Nil	$ Nil	$ Nil
Net income (loss)	(127,860)	1,101,869	(127,386)	(1,647,641)
Basic income (loss) per share	(0.01)	0.06	(0.00)	(0.09)

Significant Occurrences in Quarters

During the three months ended November 30, 2016, the Company recorded a de-recognition on settlement of accounts payable of $259,670.

During the three months ended May 31, 2016, the Company incurred a write-off of exploration and evaluation assets of $1,665,943 gain on settlement of debt of $16,920 and recorded a write-off of current liabilities of $357,366.

During the three months ended November 30, 2015, the Company settled debt for either reduced cash payments or for shares and recorded a gain on debt settlement of $1,256,257.

During the three months ended May 31, 2015, the Company wrote off unrecoverable amounts of $210,000 and wrote off exploration and evaluation assets of $1,262,198.

INDUSTRY AND ECONOMIC FACTORS

The Company's future performance is largely tied to the outcome of its exploration programs, the price of precious and base metals, and the overall health and stability of junior capital markets, inclusive of the TSX Venture Exchange. The financial markets, upon which the Company is reliant, are subject to potential volatility, reflective of investor anxiety with regard to the strength and longevity of the global economy, global growth prospects, and their associated impact upon liquidity, security and return. This uncertainty has led to continued volatility in commodity markets.

Furthermore, unprecedented uncertainty in the credit markets has also led to increased difficulties in accessing capital. Junior exploration companies worldwide at times have been hit particularly hard by these trends. Accordingly, the Company may have difficulty raising additional equity financing for the purposes of gold and other precious mineral exploration without significantly diluting the position of its current shareholders.

LIQUIDITY AND SOLVENCY

At this time, the Company has no operating revenues and does not anticipate any operating revenues until the Company is able to find or acquire and place in production an operating mining property. Historically, the Company has raised funds through loans, shares for debt settlements, private placements and the exercise of options and warrants.

Management is still working on raising additional capital, as further financing is required to continue with the Company's exploration and development plans as well as to pay for office and other administrative expenses. Management is constantly actively seeking additional financing, and while it has successfully done this in the past, there is no assurance that it will continue to be able to do so in the future. The Company's ability to continue as a going concern depends on management's continual success in raising funds.

The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable ore reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims and leases and upon the future profitable operation of or obtaining sufficient proceeds from the disposition of its mineral properties.

The market price of metals is highly speculative and volatile. Instability in metal prices may affect the interest in mining properties and the development of and production from such properties. Any down turn may adversely affect the Company's ability to raise capital to explore existing or new mineral properties.

The Company has incurred losses since inception. As at February 28, 2017, the Company has a working capital deficiency of $149,179 (May 31, 2016 – $166,993), and management must continue to be successful in raising financing. Failing that, the Company faces a serious threat of insolvency and its ability to continue as a going concern.

OFF-BALANCE SHEET ARANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

OUTSTANDING SHARES, STOCK OPTIONS, AND WARRANTS

As at the date of this report, the Company had the following outstanding:

- 68,242,466 common shares.
- Stock options

Number of Options	Exercise Price	Expiry Date
5,100,000	0.05	May 19, 2021
1,250,000	0.05	April 17, 2022
6,350,000		

- Warrants

Number of Options	Exercise Price	Expiry Date
16,910,000	0.06	April 10, 2019

RELATED PARTY TRANSACTIONS

The Company incurred $134,763 (2016 - $197,050) to related parties during the period ended February 28, 2017 as follows:

- $75,000 (2016 - $97,500) in consulting fees to a company owned by the Company's chairman and chief executive officer.
- $9,000 (2016 - $9,000) in director's fees to a director of the Company, included in office expense.
- $10,800 (2016 - $10,800) in consulting fees to a company controlled by a director.
- $37,500 (2016 - $48,750) in accounting fees to a firm where an officer of the Company is a partner.
- $2,463 (2016 - $30,000 included in office and salaries and $1,000 included in consulting fees) in consulting fees to an officer of the Company.

As at February 28, 2017, the Company owed $39,007 (May 31, 2016 - $14,088) to related parties as follows:

- $9,877 (May 31, 2016 - $Nil) to a director of the Company.
- $17,000 (May 31, 2016 - $8,000) to a director of the Company.
- $5,270 (May 31, 2016 - $4,488) to a company controlled by a director of the Company.
- $6,860 (May 31, 2016 - $1,600) to a firm where an officer of the Company is a partner.

During the period ended February 29, 2016, the Company settled $796,543 of debt owed to related parties through a combination of the issuance of 796,266 shares and cash payments of $25,471.

These balances are unsecured, non-interest bearing, payable on demand, have no fixed terms of repayment and arose from the provision of services.

RECENT ACCOUNTING POLICIES

Please refer to the February 28, 2017 condensed consolidated interim financial statements on www.sedar.com.

FINANCIAL INSTRUMENTS

Please refer to the February 28, 2017 condensed consolidated interim financial statements on www.sedar.com.

RISKS AND UNCERTAINTIES

The Company is engaged in the acquisition and exploration of exploration and evaluation assets. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation asset that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Changes in Internal Control over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

MANAGEMENT'S RESPONSIBILITY OF FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

OTHER MD&A REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.

DIRECTORS AND OFFICERS

Johan Grandin, *Chairman, Chief Executive Officer and Director*
Mark Fedikow¸ *Vice President Exploration*, *Director*
Johan Juntorp, *Director*
Michael Danielsson, *Director*
Scott Davis, *Chief Financial Officer*
Frances Murphy, *Corporate Secretary*