RAINY MOUNTAIN ROYALTY CORP.

Management's Discussion and Analysis

For the year ended April 30, 2015

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DESCRIPTION OF BUSINESS AND OVERVIEW OF OPERATIONS AND FINANCIAL CONDITION

The following is management's discussion and analysis ("MD&A"), prepared as of August 21, 2015. This MD&A should be read in conjunction with the audited Financial Statements for the years ended April 30, 2015 and 2014, the accompanying notes thereto, and the MD&A included in the Company's Annual Report, all as prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This report includes certain statements that may be deemed "forward looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical facts, that address such matters as future exploration, drilling, exploration activities, potential mineralization and resources and events or developments that the Company expects, are forward looking statements and, as such, are subject to risks, uncertainties and other factors which are beyond the reasonable control of the Company. Such statements are not guarantees of future performance and actual results or developments may differ materially from those expressed in, or implied by, this forward looking information. With respect to forward looking statements and information contained herein, the Company has made numerous assumptions, including among other things, assumptions about the price and future prices of ores and/or mineralization that are being explored for by the Company, anticipated costs and expenditures and the Company's ability to achieve its goals. Although management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward looking statement or information herein will prove to be accurate. Forward looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information. These factors include, but are not limited to, such matters as market prices, exploitation and exploration results, continued availability of capital and financing, and general economic, market or business conditions. Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward looking statements or information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward looking statements or information. Any forward looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date and the Company does not undertake any obligation to update publicly or to revise any of the forward looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Additional information related to the Company is available for view on SEDAR at www.sedar.com, and on the Company's website at www.rmroyalty.com.

Description of Business

The Company is engaged in the the acquisition and exploration of mineral resource properties (exploration and evaluation assets). Costs directly related to the identification, exploration and development of mineral properties are capitalized and are either amortized over the life of the property's production or written off when the property is sold, abandoned or released.

The Company trades on the TSX Venture Exchange under the symbol RMO.

EXPLORATION AND EVALUATION ASSETS

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. However, such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

The Company has entered into agreements to acquire, explore and develop certain mineral properties located in various regions of Canada. Numerous aboriginal groups are claiming unextinguishable aboriginal title to the lands and resources in various regions of Canada, which may include one or more of the mineral claims beneficially owned by the Company. The extent to which any successful aboriginal claim would materially affect the ability of the Company to exploit its mineral properties is not determinable at this time.

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the confirmation of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. To the best of its knowledge, the Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of the exploration and the development of a mineral property, the potential for production on the property may be diminished or negated.

Exploration Programs

A summary of the Company's current exploration programs is set out below, however, for additional information and details regarding such matters, reference is made to the Company's news releases and related filings that can be viewed on www.sedar.com and the Company's website www.rmroyalty.com.

The technical information regarding the Company's currently active projects referred to herein has been reviewed and approved by Robert Middleton, P. Eng., who has been acting as the Company's Qualified Person, in accordance with regulations under NI 43-101. With respect to the technical information disclosed prior to Robert Middleton becoming the Company's Qualified Person, such technical information was reviewed and approved by Gordon Gibson, P. Geo.

The Company's expenditures on exploration and evaluation assets are as follows:

	Eva Kitto	Hamlin/ Deaty	Marshall Lake	Max	Norton Lake	Seagull	Other Properties	Total
Balance, April 30, 2014	$ 70,042	$ 1,455,617	$ 2,139,730	$ 94,093	$ 730,162	$ 724,516	$ 11	$ 5,214,171
Deferred costs:								
Additions during the year:								
Acquisitions and staking	-	-	27,953	-	-	-	-	27,953
Storage	-	-	6,300	-	-	-	-	6,300
Travel	-	-	80	-	-	-	-	80
Field office expenses	-	-	40	-	-	-	-	40
Option payments and expense recovery	-	(190,000)	(36,500)	-	-	(4,500)	-	(231,000)
Loss on sale	-	(1,265,617)	-	-	-	-	-	(1,265,617)
Net additions (recoveries) for the year	-	(1,455,617)	(2,127)	-	-	(4,500)	-	(1,462,244)
Impairment of exploration and evaluation assets	(70,041)	-	-	(94,092)	-	-	-	(164,133)
Net change for the year	(70,041)	(1,455,617)	(2,127)	(94,092)	-	(4,500)	-	(1,626,377)
Balance, April 30, 2015	$ 1	$ -	$ 2,137,603	$ 1	$ 730,162	$ 720,016	$ 11	$ 3,587,794

Other Properties consists of properties impaired and written down to $1 each:

Feeder	Trump	Clay/Powell
Fishhook	GP2	
Nighthawk	Pickle Lake	
North Trap	Rossmere	
Ox Lake	Scrip	

The Company's expenditures on exploration and evaluation assets are as follows:

	Eva Kitto	Hamlin/Deaty	Marshall Lake	Max	Norton Lake	Clay/Powell	Sub-total (1)
Balance, April 30, 2013	$ 70,042	$ 1,455,617	$ 2,158,890	$ 94,093	$ 730,162	$ 474,719	$ 4,983,523
Deferred costs:							
Additions during the year:							
Acquisitions and staking	-	-	840	-	-	-	840
Option payments and expense recovery	-	-	(20,000)	-	-	(3,238)	(23,238)
Net additions (recoveries) for the year	-	-	(19,160)	-	-	(3,238)	(22,398)
Impairment of exploration and evaluation assets	-	-	-	-	-	(471,480)	(471,480)
Net change for the year	-	-	(19,160)	-	-	(474,718)	(493,878)
Balance, April 30, 2014	$ 70,042	$ 1,455,617	$ 2,139,730	$ 94,093	$ 730,162	$ 1	$ 4,489,645

	Sub-total (1)	Seagull	Olsen	Other Properties	Total
Balance, April 30, 2013	$ 4,983,523	$ 732,016	$ 89,262	$ 10	$ 5,804,811
Deferred costs:					
Additions during the year:					
Acquisitions and staking	840	-	-	-	840
Option payments and expense recovery	(23,238)	(7,500)	-	-	(30,738)
Net additions (recoveries) for the year	(22,398)	(7,500)	-	-	(29,898)
Impairment of exploration and evaluation assets	(471,480)	-	(89,262)	-	(560,742)
Net change for the year	(493,878)	(7,500)	(89,262)	-	(590,640)
Balance, April 30, 2014	$ 4,489,645	$ 724,516	$ -	$ 10	$ 5,214,171

Other Properties consists of properties impaired and written down to $1 each:

Feeder	Trump
Fishhook	GP2
Nighthawk	Pickle Lake
North Trap	Rossmere
Ox Lake	Scrip

Clay and Powell Properties

During 2003, the Company and Mega Uranium Ltd. ("Mega") acquired a 100% interest (50% each) in 11 claims located in the Thunder Bay Mining Division, Ontario, by paying a total of $88,000 ($44,000 each) ($44,000 paid by the Company) and the issuance of 100,000 common shares of the Company (issued).

The Company and Mega granted an option to Fairmont Resources Inc. ("Fairmont") entitling Fairmont to acquire a 70% interest in the Clay and Powell Properties. Under the option agreement, dated September 14, 2010 (the "Option Agreement"), Fairmont has agreed to issue 100,000 (post-consolidation) common shares and incur an aggregate $1,000,000 in exploration expenditures on the Properties over three years. The Clay Property is 100% owned by the Company and the Powell Property is 50% owned by the Company and 50% owned by Mega. Based on the ownership interest in the properties, the Company will receive 70% (i.e., 70,000 post-consolidation shares) of the 100,000 (post-consolidation) shares of Fairmont to be issued under the Option Agreement. During the year ended April 30, 2011, 17,500 (post-consolidation) shares of Fairmont were received by the Company and were valued at $24,500 at the date of receipt. During the year ended April 30, 2012, 17,500 (post-consolidation) shares of Fairmont were received by the Company and were valued at $8,400 at the date of receipt. During the year ended April 30, 2013, 17,500 (post-consolidation) shares of Fairmont were received by the Company and were valued at $4,900 at the date of receipt. On February 24, 2013, Fairmont consolidated its shares on a 4 for 1 basis. During the year ended April 30, 2014, 17,500 (post-consolidation) shares of Fairmont were received by the Company and were valued at $3,238 at the date of receipt. By Amendment Agreement, dated March 31, 2014, the Company and Mega agreed to give an extension to December 31, 2014 for Fairmont to complete the remaining portion of its 2013 exploration expenditures, and in return, Fairmont agreed to issue (issued June 9, 2014) 100,000 post consolidated shares (70,000 shares to the Company and 30,000 to Mega), which shares were received by the Company and were valued at $11,900 at the date of receipt.

Current status:
Fairmont advised the Company that from November 2010 to June 2011, Fairmont had incurred $605,691 in exploration expenditures, which expenditures included 42 km of line cutting, 36 km of ground based IP (induced polarization), 47 soil and 12 grab samples collected and 6 drill holes completed (for a total of 1,515 metres drilled). From July 2011 to present, Fairmont has analysed its results to date and has prepared and submitted an assessment report on its 2011 exploration program. Last year, Fairmont advised the Company that it was formulating its exploration plans for 2013 and its preliminary indications are that it intended to do some more prospecting and trenching in order to better understand the IP and soil anomalies before proceeding with its next drilling program. On April 30, 2014, Fairmont had written down their investment in the Clay and Powell Properties, and in connection therewith, the Company has written down the Properties during the year ended April 30, 2014 by $471,480. On November 28, 2014, Fairmont gave 30 days' notice that it had elected to terminate the Option Agreement (which termination became effective as of December 28, 2014).

Eva Kitto Property

On November 14, 2008, the Company announced that it had increased its interest in the Eva Kitto project to 100% by purchasing from Mega its 50% interest. In return, Mega was issued 200,000 shares of the Company and granted a 0.5% net smelter return ("NSR"), which can be bought out for $500,000.

The Company entered into an option agreement dated November 3, 2008, as amended ("the Option Agreement") with International Bethlehem Mining Corp. ("International Bethlehem"), whereby International Bethlehem was granted an option to earn an initial 30% interest in the Eva Kitto property by paying the Company $20,000 (received) and spending an aggregate $500,000 in exploration expenditures ($100,000 by December 31, 2008) (completed); $90,000 by June 30, 2010 (completed); and $310,000 by June 30, 2011 (not completed). Under the Option Agreement, International Bethlehem could increase its interest in the property up to 51%, 60% and 75% by incurring exploration expenditures of an additional $1,000,000 by November 3, 2011, $1,000,000 by November 3, 2012 and by bringing the property into commercial production, respectively. The property is subject to an aggregate NSR royalty of 3.5%, of which 2% can be purchased at any time for $2,000,000. By an amending agreement dated November 15, 2010, the Company and International Bethlehem acknowledged and agreed that as a result of exploration expenditures completed, International Bethlehem had earned a 15% interest in the Eva Kitto property.
By amending agreement dated April 2, 2012, the Company and International Bethlehem further revised the Option Agreement to allow International Bethlehem to resume its earlier option and to increase its interest in the Eva Kitto property. As a result, International Bethlehem contributed the sum of $75,000 towards the exploration program completed on the property by the

Company, and in so doing, International Bethlehem has earned a 50% interest in the property and a 50/50 joint venture has been formed between the parties. The Company and International Bethlehem are related parties by virtue of having certain directors in common.

Current status:
On July 10, 2012, the Company announced had reported the results from its recently completed exploration and core drilling program on the Eva Kitto Property. The Eva Kitta Property is a "PGE" (Platinum Group Elements) exploration project and is located near the town of Beardmore, Ontario and approximately 190 kilometres northeast of Thunder Bay, Ontario. The Property is jointly owned (50/50) by International Bethlehem and the Company. As reported by the Company, the recent exploration was a follow up core drill program based on the exploration and drilling previously completed on the Property by International Bethlehem in 2008 and 2010. Accordingly, the Company's Drill Hole EK-12-01 was drilled to explore for the first time a negative magnetic anomaly for potential Ni-Cu-PGE (nickel, copper, platinum group elements) "Noril'sk-type" mineralization, as previously observed by the Company. As indicated by the Company, this large negative magnetic anomaly lies at the centre of a northern inward dipping ring dike phase of the gabbroic-ultramafic layered "Kitto Intrusion". The Company believes that the magnetic anomaly potentially represents Noril'sk-type basal massive mineralization, or possibly a feeder (bottom of the funnel) to the northern ring dike portion of the intrusion. The Company has also indicated that Drill Hole EK-12-01 was the first drill hole to explore the northernmost (and thickest) portion of the intrusion. The hole was drilled to a depth of 405 metres (intersecting 377 metres of the Kitto Intrusion below 28 metres of cover rocks), and accordingly, did not reach the basement contact or basal target. As a result, the magnetic anomaly remains unexplained and the Company believes that further exploration and drilling is merited. Typically, the Noril'sk-type genetic model requires a sulphur source and the Company indicated in its news release that Drill Hole EK-12-01 was successful in intercepting veiny, serpentinized, magnetite and pyrrhotite ingestions possibly remobilized from an iron formation contaminant. Additionally, nearby (on surface) there is coincidental evidence of magnetite and pyrite suggestive of iron formation. As reported by the Company, in view of the significant thickness of the intrusion encountered and the limited initial budget for the drilling program, Drill Hole EK-12-01 was discontinued at a depth of 405 metres. International Bethlehem and the Company intend to follow up on further drilling to extend Drill Hole EK-12-01 to the basement in order to obtain a more complete understanding of the magnetic anomaly. The Company is reviewing its future program on the property and the required funds for such program.

During the year ended April 30, 2015, the Company recorded an impairment charge of $70,041 related to the Eva Kitto Property due to inactivity.

Feeder Property

The Company acquired by staking 268 claim units known as the Feeder Property. During the year ended April 30, 2011, the Company recorded a write-down of $19,080.

Fishhook Property

On April 1, 2008, the Company acquired 968 claim units pursuant to a joint venture agreement with Temex Resources Corp. ("Temex") as a 50% venturer.

By an agreement dated July 31, 2008 (as amended by an agreement dated October 26, 2009), Noront Resources Ltd. ("Noront") became a venturer in the Fishhook Joint Venture and has earned a 33-1/3% joint venture interest by paying $100,000 ($50,000 each to the Company and Temex) and by funding $956,529 in exploration expenditures. The cash payment of $50,000 and exploration expenditures funding was received in 2009. As a result, the Company, Temex and Noront each have a 33-1/3% joint venture interest in the Fishhook project. The Company and Temex have the option to buy back Noront's interest in the Fishhook Joint Venture for $1,000,000. As no further work program was recommended for the Fishhook Property, the Company and Temex elected to abandon the claims in January 2012, and in so doing, transferred the claims to Noront pursuant to the joint venture agreement. During the year ended April 30, 2011, the Company recorded a write-down of $9,094.

GP2 Property

During the 2009 fiscal year, the Company acquired by staking 333 claim units known as the GP2 Project.

By letter agreement dated September 2, 2008, the Company and its joint partner, Temex, entered into an option and joint venture agreement with Mill City Gold Corp. ("Mill City"), whereby Mill City could earn a 50% interest in the GP2 Property in the Noront-McFaulds Lake area in Ontario by issuing an aggregate 1,000,000 shares to the Company and Temex (each of Temex and the Company received 500,000 shares from Mill City valued at $54,375) and by spending an aggregate $5 million in exploration on the property over three years. If Mill City exercised its option to earn a 50% interest, Temex and the Company would then have the option to participate in the joint venture with Mill City at a 25% interest each or to revert to a 7.5% interest carried to production.

As of July 30, 2010, the Company and Temex agreed to amend the agreement to provide Mill City with a one year extension in which to complete its work commitments. In consideration for this extension, Mill City issued 125,000 shares to each of the Company and Temex (received by the Company and were valued at $5,000, which is the value at the date of receipt of the shares). Under the agreement, as amended, Mill City was required to complete its work commitments of $1,500,000 by September 2, 2011 and its additional work commitments of $3,000,000 by September 2, 2012. However, by notice dated August 10, 2011, Mill City elected to terminate the agreement with the Company and Temex. During the April 30, 2012 year-end, the Company recorded a write-down of $22,489.

Hamlin/Deaty Properties

With respect to the Deaty Property, during 2003 the Company was granted an option to acquire a 100% interest in 7 claim units in the Thunder Bay Mining Division, Ontario, by making cash payments totalling $42,000 in stages to 2008 (paid) and by issuing 100,000 common shares of the Company (issued). The Company entered into a joint venture with Mega Uranium Ltd. ("Mega") under which Mega earned 50% of the Company's interest by fulfilling 50% of the obligations under the Deaty Property option.

With respect to the Hamlin Property, during 2004 the Company was granted an option to acquire a 50% interest in 77 claim units in the Thunder Bay Mining Division, Ontario, by making cash payments totaling $44,000 in stages to 2009 (paid) and issuing 100,000 common shares of the Company (issued).

As of October 15, 2007, the Company and its joint venture partner, Mega, entered into an option agreement with Xstrata Copper Canada ("Xstrata"), whereby Xstrata may earn a 51% interest in the Hamlin and Deaty Properties by spending $3,000,000 over four years (completed as of October 1, 2011), with a further option to earn an additional 24% interest by incurring not less than $20,000,000 in feasibility study expenditures or completing a feasibility study in the Deaty and Hamlin properties. Xstrata was acquired by Glencore Canada Corporation ("Glencore") in May 2013.

With respect to the Hamlin Property, during 2004 the Company was granted an option to acquire a 50% interest in 77 claim units in the Thunder Bay Mining Division, Ontario, by making cash payments totaling $44,000 in stages to 2009 (paid) and issuing 100,000 common shares of the Company (issued).

On September 22, 2014, the Company announced that it had entered into an agreement (the "Agreement") with Canoe Mining Ventures Corp. ("Canoe Mining"), Glencore Canada Corporation ("Glencore") and Mega Uranium Ltd. ("Mega Uranium"), pursuant to which Canoe Mining purchased a 100% interest in the Hamlin-Deaty property (the "Property") located in the Shebandowan Belt 110 km west of Thunder Bay, Ontario. Pursuant to the terms of the Agreement, Canoe Mining agreed to make a cash payment of $50,000 to Glencore and grant Glencore a 1% net smelter royalty ("NSR"), together with a right of first refusal for an off-take agreement. Additionally, Canoe Mining agreed to issue each of the Company and Mega Uranium one million common shares. On October 23, 2014, the Company received one million common shares of Canoe Mining valued at $190,000 (based on the date of issue of the shares, namely, October 2, 2014) and wrote off $1,265,617 in remaining net expenditures.

Marshall Lake Property

The Marshall Lake property is located in the Thunder Bay Mining Division, Ontario, and the Company has a 50% joint venture interest in approximately 50 claim units, through staking, as well as agreements as follows:

(i) The Company acquired a 100% interest in 3 mineral leases from Teck Cominco Ltd. ("Teck") and the underlying titleholder by issuing 250,000 units (issued during fiscal 2007), each unit consisting of one common share and one two-year warrant to purchase an additional common share for $0.13 (exercised), and spending $100,000 on exploration on these claims prior to December 31, 2009 (incurred). Teck retained a 2% NSR royalty and had a back-in right to earn a 51% interest in the claims by spending two times what the Company incurred in exploration work on these claims. The back-in right existed for a five year period following completion of the Company's initial $100,000 exploration commitment, and therefore expired in March 2013.

(ii) The Company acquired an option from Carey Lance (the "Vendor") of Ontario to purchase a 100% interest in certain surface and mineral rights comprising 421 claim units in consideration for the issuance of 200,000 shares (100,000 issued during fiscal 2007 and 100,000 issued during fiscal 2008) and the payment of $150,000 in stages over seven years (fully paid as of June 13, 2012). The Vendor retained a 2% NSR royalty of which the Company can purchase one-half thereof (1% NSR) at any time for $1,000,000 and the Company has a right of first refusal on the remaining 1% NSR.

(iii) The Company acquired a 100% interest in 86 leases and 9 claim units from NWT Copper Mines ("NWT") by making aggregate cash payments of $75,000 (paid) and incurring $1,000,000 in exploration over three years (completed). NWT retained a 3% NSR royalty on precious metals and a 2% NSR on base metals, with 1% of either royalty purchasable by the Company for $2 million and the Company having a right of first refusal on the remaining portions of these royalties. In connection with the NSRs, the Company is required to pay an annual advance royalty of $25,000, which payments are credited against royalties otherwise payable to NWT. All annual advance royalty payments have been paid to date and such payments are shared on a 50/50 basis with Copper Lake Resources pursuant to an option agreement dated July 6, 2010, as amended, as referred to herein.

The Marshall Lake property is subject to a joint venture agreement with Marshall Lake Mining Limited, ("Marshall Lake Mining"). During the year ended April 30, 2010, the Company and Marshall Lake Mining staked additional claims resulting in control of approximately 50 square miles contiguous to the originally acquired Marshall Lake claims.

By agreement dated July 6, 2010, and as amended, the Company and Marshall Lake Mining granted an option to Copper Lake Resources Ltd., formerly White Tiger Mining Corp. ("Copper Lake"), whereby Copper Lake has the right to acquire up to a 50% joint venture interest in the Marshall Lake property and project. Under the option agreement, Copper Lake is required to incur $4,000,000 in expenditures on the property over five years and to issue 2,000,000 shares to the Company over four years. Copper Lake will earn a 12.5% joint venture interest in the Marshall Lake project for every $1,000,000 in expenditures incurred and for every 400,000 shares issued (except for the initial 12.5% interest, whereby Copper Lake was required to issue 800,000 shares to the Company). To date, the Company has received 2,000,000 shares of Copper Lake valued at $296,000 at the time of issue. Additionally, once Copper Lake has completed its share issuance and spending requirements, it has the additional option to increase its joint venture interest to 75% by incurring such additional property expenditures as are necessary to take the Marshall Lake project to bankable feasibility stage. Prior to July 22, 2014, the Company and Copper Lake had certain directors in common. By amending agreement, dated July 8, 2015, the Company and Marshall Lake Mining agreed to extend Copper Lake's initial earn-in option on the Marshall Lake property to July 15, 2017 in return for Copper Lake issuing 500,000 shares (valued at $22,500 at the time of issue) to each of the Company and Marshall Lake Mining, which shares were issued as of July 30, 2015. To date, Copper Lake has indicated that it has earned a 37.5% joint venture interest in the Marshall Lake project.

Current status:

The Marshall Lake property is a copper, silver and gold exploration project located 120 km north of Geraldton, Ontario (via a good all weather gravel road from Hwy 11 Trans Canada Hwy, and just 22 km north of the main CNR rail line). Since July 2010, Copper Lake, as optionee and operator, has incurred approximately $2,600,000 in exploration expenditures on the

Marshall Lake property and to date has drilled and completed 41 core drill holes (totalling over 8,000 metres of drilling). Additionally, Copper Lake has conducted prospecting and sampling on the property and has also carried out ground IP (induced polarization) and geological mapping of specific areas of interest. As well, Copper Lake has conducted airborne geophysical surveys and completed "ground proofing" (through differential GPS surveying of the property). On March 4, 2013, Copper Lake reported that it has completed new survey control of cut grid lines within and adjacent to the RM Zone copper discovery on its Marshall Lake property. The new survey was conducted using a Trimble ProXRT2 with OmniStar XP real-time differential GPS to sub metre (nominally 30 cm) accuracy. Copper Lake then commissioned Caracle Creek International of Toronto to reinterpret previously obtained surface IP (Induced Polarization) data read from the grid. The Company is now in receipt of an unconstrained 2D inversion of said data, interpolated and expressed as 3D chargeability and conductivity isosurfaces to an effective depth of investigation of 120 metres below surface. Four discrete chargeability anomalies are apparent, which when interpreted with the copper 3D grade shell model, appear to further define the RM copper zones, with the best geophysical responses yet to be tested. Copper Lake has announced assay results for its most recently completed drill program on the Marshall Lake property. Specifically, on May 22, 2013, the Company provided its first comprehensive review of drill results to date for its Marshall Lake property. Most recently updated 3-D modeling of the RM Zone continues to refine and improve Copper Lake's understanding of the geometry and dimensions of the overall RM Zone. Using a 0.3% copper cutoff, the current model identifies a cylinder-shaped, near-horizontal zone of disseminated and stringer-type copper mineralization with the long axis oriented toward azimuth 215 degrees. The RM Zone geometry, as characterized above, has been traced for 250 metres and currently remains open to the southwest. Additionally, 3-D modeling of the significant copper and silver mineralization near surface within the "Gazooma Zone" (located 150 metres southeast of the "RM Zone") is underway. With continued drilling success targeting the first of four recently identified IP geophysical targets, further drilling plans are underway in an effort to infill and further substantiate the anticipated mineralization between the "RM South Zone" and the RM Zone. Following that, Copper Lake then intends to drill the other three identified priority IP geophysical targets. As well, planning is underway for a second phase of geophysical surveys (deep IP) to produce a high resolution 3-D response (chargeability and conductivity) on potential sulphide targets to a depth of investigation of at least 500 metres below surface (400 metres beneath the current geophysical IP depth of investigation). The initial geophysical area of interest embraces five copper zones within close proximity to one another (ie. the RM Zone, the Jewel Box Zone, the Gazooma Zone, the Cherry Hill Zone and the Teck Hill Zone), encompassing a total surface area of 3.5 square kilometres. This will, for the first time, potentially identify significant new targets (within the 12 km by 10 km Marshall Lake property) beneath some of the numerous near surface copper occurrences.

On July 9, 2015, Copper Lake reported that in August 2014 it had commissioned Caracle Creek International Consulting Inc. ("Caracle Creek"), with assistance from Geotech Ltd. ("Geotech"), to extend the modelling, focusing on untested targets within the broader Marshall Lake Property, an area of approximately 8 km by 10 km. Copper Lake further reported that the geophysical project was undertaken using updated processing routines employed by Geotech on VTEM geophysical data, as well as by performing inversion modelling on the IP-Res data to spatially estimate conductive and chargeable sources at depth, by reviewing and reprocessing data that has been collected on targeted areas of the Property dating back to 2006. Additionally, Copper Lake reported that ORIX Geoscience Inc. ("Orix") of Toronto was commissioned to digitize and interpret a large volume of existing historical geological, geochemical, trenching and drilling data. Copper Lake stated that the work also incorporated the results of geological mapping and differential GPS surveys conducted by it in September 2014 in the vicinity of known Volcanogenic Massive Sulphide ("VMS") occurrences. With assistance from Copper Lake's QP, the work resulted in a new 1:50,000 scale interpretive geological map of the Property (refer to Copper Lake's July 9, 2015 news release).

Max Property

As of February 2008, the Company had staked 587 claim units known as the Max Property.

By option and joint venture agreement dated June 20, 2008 (as amended by agreement dated August 14, 2009), the Company granted Northern Shield Resources Inc. ("Northern") an option to earn a 50% interest in the Max Property in consideration for an initial payment of $75,000 (received), the issuance of 300,000 shares (received at a value of $168,000), an expenditure commitment of $250,000 in 2008 (completed) and $1,000,000 within the next two years. By August 30, 2009, Northern was required to pay an additional option payment of $15,000 (received) and issue 100,000 shares to the Company (received at a value of $11,000).

By virtue of the payments made, expenditures incurred and shares issued, Northern acquired a 50% interest in the Max Property and a 50/50 joint venture was formed between the Company and Northern. In October 2010, the Company elected not to participate in Northern's $450,000 drill program on the Max Property, and accordingly, the Company's joint venture interest in the Max Property was reduced to 40.9% interest. As of June 18, 2014, Northern assigned and sold its ownership interest in the Max Property and its interest under the joint venture agreement to Great Lakes Resources LLC, a Virginia corporation.

During the year ended April 30, 2015, the Company recorded an impairment charge of $94,092 related to the Max Property due to inactivity.

Nighthawk Property

The Company has a 40% interest in a joint venture comprising a 339-unit pooled mineral claim group, together with Selkirk Metals Holding Corp. ("Selkirk") (40%) and Trillium North Minerals Ltd. ("Trillium") (20%). Certain parts of the property are subject to a 2.5% NSR, which can be reduced to 1% with the payment of $1,500,000. In addition, other portions of the property are subject to NSRs ranging from 2% to 3%. During the year ended April 30, 2010, the Company recorded a write-down of $239,035.

North Trap Property

The Company acquired by staking 208 claim units known as the North Trap Property. During the year ended April 30, 2010, the Company recorded a write-down of $62,400.

Norton Lake Property

The Company had a 24.5% interest in 445 claim units in the Norton Lake area (the "Norton Lake Project") with White Metal Resources Corp., formerly Trillium North Resources Ltd. ("White Metal") owning 24.5% and Cascadia International Resources ("Cascadia") owning 51%. Of the claim units, 233 claim units are subject to a 2% NSR (the Company may purchase 1% of the NSR for $1,000,000 and has a right of first refusal on the remaining 1% NSR).

During the 2009 fiscal year, Cascadia assigned its 51% joint venture interest to Copper Lake Resources Ltd, formerly White Tiger Mining Corp. ("Copper Lake"). The Norton Lake Project consisted of two properties, namely, the Norton West Property (the principal property) and the Norton East Property. Joint venture expenditures are being recorded by each joint venture partner on a cash basis and as a result of the programs completed by Copper Lake on the Norton West Property, the Company then had a 32.6% interest in the Norton West Property (with Copper Lake having a 57.6% interest and White Metal having a 9.8% interest) and a 9.8% interest in the Norton East Property (with Copper Lake having a 51% interest and White Metal having a 39.2% interest). By agreement dated February 21, 2012, the Company, Copper Lake and White Metal combined and consolidated their respective interests in the Norton West and Norton East Properties, and as a result, the Company has a 32.6% interest in the combined Properties (with Copper Lake having a 57.6% interest and White Metal having a 9.8% interest). Further, by agreement dated July 3, 2014, the joint venture interests were again adjusted amongst the parties to reflect their respective contributions towards the June 2012 to May 2013 exploration program on the Properties, and as a result, the Company now has a 30.21% interest in the combined Properties (with Copper Lake having a 60.70% interest and White Metal having a 9.09% interest). Prior to July 22, 2014, the Company and Copper Lake had certain directors in common.

Subsequent to the year ended April 30, 2015, Copper Lake acquired White Metal's 9.09% interest in the Norton Lake Property, and as a result, the Company continues to hold a 30.21% interest and Copper Lake now holds a 69.79% interest.

Current status:
The Norton Lake property is located 450 km north of Thunder Bay, Ontario on the south margin of the "Ring of Fire" exploration region and consist of 32 claims covering approximately 8,800 hectares. The property deposit contains nickel (Ni), copper (Cu), cobalt (Co) and platinum group element (PGE) values and has previously has been traced by diamond drilling over a straight length ranging from 225 to 300 metres, and locally to about 400 metres depth, with true width ranging between 5 and 10 metres. The Norton Lake property is a pyroxenite-hosted massive sulphide property, which has a NI 43-101 Compliant Measured and Indicated Resource of 2.2 million tonnes grading 0.67% nickel (at a cut-off of 0.3% nickel), 0.61% copper, 0.03% cobalt, and 0.46 grams per ton palladium. On November 14, 2012, the Copper Lake reported further results on its

Norton Lake pyroxenite-hosted massive sulphide property, which property has an NI 43- 101 Compliant Measured and Indicated Resource of 2.2 million tonnes grading 0.67% Nickel (at a cut-off of 0.3% Nickel), 0.61% Copper, 0.03% Cobalt , and 0.46 grams per tonne Palladium. In September 2012, Caracle Creek International ("CCI") of Toronto and Dr. Mark Fedikow of Mount Morgan Resources Ltd. were commissioned to perform an initial Mobile Metal Ions ("MMI") orientation soil survey over the Norton Lake deposit. This survey was successful in establishing the characteristic nickel, copper, cobalt soil MMI response over the Norton Lake main zone. Further to this, CCI was commissioned to perform a more wide ranging MMI soil survey in order to test three target areas within the Norton Lake property. The three target areas were selected by the Company because they exhibited similar coincident total field magnetics and multi-channel TDEM (time domain electromagnetics) anomalies on airborne geophysical surveys as the Norton Lake deposit. One of the three targeted areas returned very encouraging MMI survey results. Specifically, the Norton Lake eastern zone returned elevated nickel, copper and cobalt with the best MMI values being concentrated in the southern part of the grid. An elongate zone of anomalous nickel and copper values measuring approximately 600 metres by 100 metres extends in an east-west direction, coincident with airborne geophysical anomalies. The MMI geochemical signature is of higher amplitude than that of the orientation survey over the Norton lake deposit itself. As a result, the Copper Lake is planning a preliminary exploration drill program to determine the targets' significance. To April 30, 2015, Copper Lake, (the operator for the joint venture) has incurred a total of $1,119,250 in exploration expenses on the Norton Lake property.

Olsen Property

On January 12, 2010, the Company entered into an option agreement with Michael Tremblay and Jacques Robert (collectively, the "Optionors") to acquire a 100% interest in a 234-claim unit gold property (the "Olsen Property") located north of Sault Ste. Marie east of Batchawana Bay, Ontario. Under the option agreement, the Company had the obligation to pay the Optionors an aggregate $100,000 (as of January 31, 2013, $43,000 has been paid by the Company to the Optionors) over a five-year period and issue 200,000 shares (issued) over an 18-month period (50,000 shares were issued on February 16, 2010, with a fair market value of $6,250; 50,000 shares were issued on August 25, 2010, with a fair market value of $5,500; 50,000 shares were issued on January 13, 2011, with a fair market value of $8,000; and 50,000 shares were issued on July 25, 2011, with a fair market value of $6,500). The Optionors retained a 2% NSR on the Property, of which the Company could buy back one-half thereof (1% NSR) for $1,000,000.

The Company entered into an option agreement, dated March 2, 2010, as amended (the "Agreement"), with Black Panther Mining Corp. ("Black Panther") to give Black Panther the option to acquire up to a 50% interest in the Olsen Property. Under the Agreement, Black Panther was required to incur $250,000 in exploration expenditures by March 2, 2011 (completed) and therefore earned a 30% interest in the Olsen Property. As well, Black Panther had the additional option to earn a 50% interest in the Olsen Property by incurring a further $250,000 in exploration expenditures by March 2, 2014. The Company and Black Panther have certain directors in common.

Current status:
On February 7, 2013, Black Panther provided an exploration update for its Olsen gold exploration property project. Black Panther's first phase of exploration of the Property was conducted in May 2010 (which included mapping, surface sampling and prospecting), two areas of strong iron carbonate alteration (ankerite) were identified, which extend for 3,000 metres. Also, during Black Panther's November 2012 exploration program, soil geochemical anomalies with coincidental magnetic and induced polarization (IP) signature targets were identified. As part of its next phase of exploration, Black Panther indicated that it intended to proceed with a drill program designed to determine the significance of recently identified gold anomalies on the Property. On May 8, 2013, Black Panther provided results from its first exploration core drill hole on the Olsen Property, which drill hole was completed to a depth of 120 metres. Drill hole Olsen 13-01 returned no significant gold mineralization, however, several additional drill targets (previously identified by recent geological/alteration mapping, bedrock chip sampling, soil sampling, IP (induced polarization) and magnetometer surveys) remain untested.

As of February 6, 2014, both the Company and Black Panther elected to discontinue further exploration of the Olsen Property and in connection therewith, the Company has written down the property during the year ended April 30, 2014 by $89,262.

Ox Lake Property

During 2008, the Company staked 572 claim units known as the Ox Lake Exploration Project located in the Thunder Bay Mining Division, Ontario. During the year ended April 30, 2012, the Company recorded a write-down of $765 (2011 - $662,931).

Pickle Lake Property

On April 13, 2011, the Company entered into an option agreement with Donald D. Brown (the "Optionor") to acquire a 100% interest in the Fry-McVean Claims (the "Property") consisting of 167 claim units in the Drum Lake area in the Patricia Mining District, Ontario. In order to exercise the option, the Company was required to pay $100,000 ($25,000 per year over four years), issue 1,000,000 shares (200,000 shares in each of the four years and an additional 200,000 shares once a feasibility study has been completed) and was required to spend $1,700,000 in exploration expenditures on the Property over four years. On April 18, 2011, the first cash payment of $25,000 was paid and on May 26, 2011, the first share issuance of 200,000 shares was issued (with a fair market value of $27,000). In October 2011, as results from the initial exploration program were not favourable, the Company elected not to proceed further with this option agreement. During the year ended April 30, 2012, the Company recorded a write-down of $ 98,010.

Rossmere Property

On September 6, 2005, the Company entered into an agreement with Ken Kukkee of Thunder Bay, Ontario, (the "Vendor") to acquire a 100% interest in the Rossmere Property by issuing 200,000 shares of the Company (issued) and paying a total of $25,000 (paid) over three years to the Vendor with the Vendor retaining a 2% NSR interest. The Rossmere Property originally consisted of 224 mineral claim units located in the Thunder Bay Mining Division of Ontario. The Company may purchase one-half (1%) of the NSR at any time for $1,000,000 and the Company has a right of first refusal on the remaining portion of the NSR. The Rossmere Property was part of a 50% joint venture with Marshall Lake Mining who participated with the Company on the acquisition.

Pursuant to an agreement dated September 14, 2006, as amended (the "Agreement"), Drift Lake Resources Inc. ("Drift Lake") was assigned an option to acquire up to a 60% interest in the Rossmere Property. In order to earn its initial 50% interest in the Rossmere Property, Drift Lake is required to incur $300,000 in exploration expenditures on the Property as follows:

a) $100,000 by February 25, 2008 (completed); and
b) a further $200,000 by February 25, 2012 (not completed).

Drift Lake may also acquire a further 10% interest (for a total 60% interest) in the Rossmere Property by incurring an additional $500,000 in exploration expenditures on the Property as follows:

a) a further $200,000 by February 25, 2014;
b) a further $200,000 by February 25, 2016; and
c) a further $100,000 by February 25, 2018.

As of February 28, 2011, Drift Lake has incurred an aggregate $240,373 in expenditures and has written down $145,395 on the Rossmere Property. Drift Lake (now known as "Sintana Energy Inc.") was unable to meet the option commitment by February 25, 2012 and has therefore forfeited the Agreement.

During the year ended April 30, 2011, the Company recorded a write-down of $99,272.

Scrip Property

The Company acquired (by staking) 18 claims (consists of 385 cells) located in southeastern British Columbia and known as the Scrip Property, which property is adjacent to the "Ruddock Creek" lead and zinc deposit. During the year ended April 30, 2012, the Company recorded a write-down of $3,071.

Seagull Property

The Company and White Metal Resources Corp., formerly Trillium North Resources Ltd. ("White Metal") jointly owned a 100% interest in two mineral claim groups in the Anders Lake and Leckie Lake areas located approximately 85 kilometres north-northeast of Thunder Bay, Ontario (the "Seagull property").
The Company subsequently entered into an option agreement dated October 2, 2008 with White Metal and Black Panther Mining Corp. ("Black Panther"), whereby Black Panther was granted an option to earn an initial 30% interest (earned) in the Seagull property. In order to acquire its initial 30%, Black Panther was required to spend $500,000 in exploration expenditures by February 28, 2009 (completed).

By amending agreement dated October 15, 2010, Black Panther increased its ownership interest in the Seagull property from 30% to 40% interest (based on its exploration expenditures incurred), with the Company and White Metal each owning a 30% interest.

By option agreement dated February 22, 2011, as amended, the Company, Black Panther and White Metal (collectively the "Optionors") granted an option to Minfocus International Inc. of Toronto, Ontario, (the "Optionee"), entitling the Optionee to earn an interest in the Seagull property. Under the option agreement, the Optionee has the initial option to earn a 55% interest in the property from the Optionors upon paying the sum of $55,000 (paid) and issuing 50,000 shares (issued). The Company's proportionate share received was $15,000 and 15,000 shares at a value of $6,000. Additionally, the Optionee is required to pay the Optionors $25,000 (in cash and/or shares), on a pro rata basis, on each of the 12 month anniversary (48,387 shares received at a value of $7,500 in February, 2012), the 24 month anniversary ($3,750 received in cash and 125,000 shares received at a value of $3,750 in February, 2013) and the 36 month anniversary (150,000 shares received at a value of $7,500 in February 2014) of the option agreement. Also, the Optionee is required to incur exploration expenditures on the Seagull property in the amount of $250,000 in each year of the 4 year initial option term. As well, the Optionee can earn a 70% interest in the Seagull property by incurring an additional $2,000,000 in expenditures against the property during the initial 4 year option term. Further, the Optionee has the right to increase its interest to 85% by completing a feasibility study on the property within a 5 year period following the initial option term. By further amending agreement, dated February 11, 2015, the Optionors agreed to allow the Optionee to extend the 4 year exploration period to September 30, 2015 and to extend the additional 70% earn in option period to September 30, 2016 in return for the Optionee collectively issuing 1,000,000 Minfocus shares to the Optionors (300,000 shares received by the Company on February 27, 2015 representing the Company's 30% pro rata share of such issuance).

The Optionee completed a 2 for 1 share split and a qualifying transaction with Pembroke Capital Corp. (a capital pool company), and accordingly, the 15,000 shares of the Optionee received by the Company, were, as of January 23, 2012, represented by 63,559 shares of Minfocus Exploration Corp. ("Minfocus") (formerly Minfocus International Inc.).

The Seagull property is subject to two separate royalties (2.4% NSR in total), of which 1.4% can be purchased for $2 million. The Company and Black Panther have certain directors in common.

Current status:
The Seagull property is road accessible and located approximately 75 km north of Thunder Bay, Ontario. Since February 2011, exploration work has been carried out by Minfocus. Based on information received from Minfocus, approximately $500,000 in exploration expenditures has been incurred since 2011. In particular, the results from Minfocus' 2012 exploration program have provided what Minfocus has reported as being "significant new evidence of near surface PGE (platinum group elements) mineralization". Minfocus believes that such shallow mineralization may be mineable by open-pit methods. From the surface mapping completed during 2012, Minfocus located six historical trenches, which are grouped midway between the locations of the two Minfocus drill hole pairs (WM 12-34/35 and WM 12-36/37), which are approximately 1 km apart. Minfocus' sampling of the 90 meter long "Trench No. 4" yielded PGE values up to 1.92g/t 3E (ie: combined PGE). Between February 12

and March 5, 2012, four holes (WM 12-34 to WM 12–37) were drilled by Minfocus on the Seagull property project area for a total of 1,742 metres of core. As reported by Minfocus, the analyses of selected portions of the drill core from each drill hole confirmed, in all four drill holes, the "existence of multiple significant PGE mineralized layers with drill core interval lengths up to 5.0 metres thick and with PGE grades up to 2.47 g/t 3E and >0.5 g/t 3E. As of January 21, 2013, Minfocus reported that assessment work reports have been filed with the Ontario Ministry of Northern Development and Mines ("MNDM"), which will maintain the subject claims in good standing for a further period. Minfocus is awaiting formal approval from MNDM for the filed assessment work reports.

On March 19, 2014, Minfocus reported that it has completed approximately $690,000 of the $1,000,000 in exploration expenditures that it is required to spend pursuant to its Seagull property option agreement ($250,000 per year over four years). Minfocus also reported at that time that "Mapping, prospecting and trenching were undertaken in several areas of the property in the summer and fall of 2013, in order to improve understanding of the distribution of rock types and search for outcrops where the platinum mineralized zones could be projected to extend to surface. One area was located where near surface mineralization could exist. Outcrops of the underlying basement rocks were located which display intense contact metamorphism similar to that displayed in some core holes where the core passes from the base of the ultramafic intrusion into the underlying basement rocks. The sampled basement rocks contain several percent sulphide minerals, primarily pyrite and chalcopyrite but no anomalous platinum mineralization. Two grab samples assayed 0.10% and 0.11 % copper. A petrographic study of one sample indicated that it contained 7% pyrite with less than one percent of each of chalcopyrite and pyrrhotite. There was no outcrop immediately above this basement exposure and trenching is planned to determine if the mineralization extends into the adjacent ultramafic rocks".

On November 3, 2014, Minfocus reported that (as of August 31, 2014), it had accumulated total exploration expenditures of $1,150,200 related to its "Nipigon Reefs PGE project", which comprise the Seagull and Springlet properties. Specifically, over the recent 2014 summer period, Minfocus indicated that it had undertaken mapping, sampling and trenching programs on the Nipigon Reefs property in order to understand better the attitude of the layered PGE- bearing complex and determine if there are areas where the PGE-rich horizons may extend to surface, thereby providing potential for near surface resources. According to Minfocus, this work has led to a significant revision to the geological interpretation and assumptions about controls on PGE mineralization. As a result, much more importance is now assigned by Minfocus to a series of faults cutting through the district as controls of the mineralization. Minfocus is developing a revised work program to follow up on this significant revision of the geological model for the Nipigon Reefs PGE project.

Trump Property

On July 9, 2008, the Company announced that it entered into an agreement with Canadian Orebodies Inc. ("Orebodies") to sell an 80% legal and beneficial interest in its Trump 96 claim unit property, comprising 1,536 hectares in the James Bay Lowlands, Ontario, near the Norton Lake property. In order to complete the purchase, Orebodies was required to pay to the Company $10,000 cash (received), issue to the Company an aggregate 280,000 common shares of Orebodies (received at a value of $18,200) and to commission a VTEM airborne survey on the property (completed). Accordingly, the Company now holds a 20% interest in the Trump property.

PERFORMANCE SUMMARY

The following is a summary of the significant events and transactions that occurred during the year ended April 30, 2015 and for the subsequent period to the report date hereof:

(a) On July 31, 2015, the Company announced that it has appointed Robert Middleton, P.Eng., as the Company's VP, Explorations. Mr. Middleton's contributions to developing Ontario's mineral wealth are not insignificant. In 1979, he led the Rosario Resources team that discovered the Bell Creek Mine in Timmins, Ontario and, in 1982, he played a role in drilling the discovery hole at the Goliath Mine in Hemlo, Ontario. He is also credited with discovering the Cross Lake zinc deposit near Timmins, Ontario in 1997 and conducted exploration in the Nipigon Plate that led to the discovery of the Seagull PGE deposits.

(b) On July 9, 2015, the Company's property optionee, Copper Lake Resources Ltd., ("Copper Lake"), reported that several significant target areas have been identified by geophysical inversion modelling of induced polarisation and resistivity ("IP-Res") data, as well as by reprocessing of airborne VTEM data collected in 2007 on its Marshall Lake property (the "Property"). According to Copper Lake, the modelled targets lie at depth, below or adjacent to existing near surface copper, silver and gold mineralization. In late 2013 Caracle Creek International Consulting Inc. ("Caracle Creek") was commissioned to complete geophysical IP inversion modelling within the RM Zone of the Property. Following their recommendations, Copper Lake drilled one of the Caracle Creek shallow targets with drill holes RMZ 13-40 and RMZ 13-41. Both drill holes intersected significant grades and widths of stringer, feeder style copper, silver and gold mineralization (see below and Copper Lake's news release dated April 25, 2013). Based on the success of those results, in August 2014 Copper Lake commissioned Caracle Creek, with assistance from Geotech Ltd. ("Geotech"), to extend the modelling, focusing on untested targets within the broader Marshall Lake Property, an area of approximately 8 km by 10 km. The geophysical project was undertaken using updated processing routines employed by Geotech on VTEM geophysical data, as well as by performing inversion modelling on the IP-Res data to spatially estimate conductive and chargeable sources at depth, by reviewing and reprocessing data that has been collected on targeted areas of the Property dating back to 2006. Additionally, Copper Lake reported that ORIX Geoscience Inc. ("Orix") of Toronto was commissioned to digitize and interpret a large volume of existing historical geological, geochemical, trenching and drilling data. The work also incorporated the results of geological mapping and differential GPS surveys conducted by the Copper Lake in September 2014 in the vicinity of known Volcanogenic Massive Sulphide ("VMS") occurrences. With assistance from the Copper Lake's QP, the work resulted in a new 1:50,000 scale interpretive geological map of the Property (refer to Copper Lake's July 9, 2015 news release).

(c) Effective January 26, 2015, the Company appointed a new auditor, namely, Davidson & Company LLP, Chartered Accountants, and concurrently the Company's former auditor, Smythe Ratcliffe LLP, Chartered Accountants, resigned.

(d) On November 7, 2014, the Company announced that it had closed a non-brokered private placement (the "Private Placement") and raised $102,375 by the issuance of 1,575,000 units (the "Units") at $0.065 per Unit. Each Unit consisted of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share for a period of two years at an exercise price of $0.10. All of the securities issued pursuant to this Private Placement are subject to a hold period expiring on March 7, 2015. The Company intends to use the proceeds from this Private Placement for exploration property expenditures and for general working capital purposes.

(e) On October 31, 2014, the Company announced that, subject to regulatory approval, the Company intends to proceed with a non-brokered private placement to raise up to $97,500 by the issuance of 1,500,000 non-flow through units (the "Units") at $0.065 per Unit. Each Unit will consist of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share for a period of two years at an exercise price of $0.10. With respect to this private placement, the Company may pay finders' fees in the amount of 10% (payable in cash or Units), based on the sale of the Units purchased by subscribers introduced to the Company by such finders. The Company intends to use the proceeds from this private placement for exploration property expenditures for general working capital purposes.

(f) On October 23, 2014, the Company announced that it has appointed Robert Middleton, P.Eng., as the Qualified Person and geological consultant for the Company's Ontario properties.

(g) On October 21, 2014, the Company announced that, in accordance with the terms of the Company's stock option plan, it had granted 600,000 incentive stock options to certain directors, officers, employees and consultants at an exercise price of $0.09 per share for a term of 5 years.

(h) On September 24, 2014, the Company announced that, subject to required TSX Venture Exchange approval, the Company intends to proceed with a consolidation of its issued common share capital on the basis of 4 old common shares for 1 new common share (the "Consolidation"). Management believes that the Consolidation is in the best interest of the Company and will allow the Company greater possibilities with respect to future financings. At the time of the announcement, the Company has 48,941,142 common shares issued and outstanding and if the

Consolidation is affected on a four for one basis (which is the maximum consolidation ratio being considered by the Company), there will be 12,235,285 common shares issued and outstanding. In connection with the Consolidation, the name of the Company will not change and the Company's trading symbol will remain as "RMO". As of September 30, 2014, the Consolidation was affected.

(i) On September 22, 2014, the Company announced that, it has entered into an agreement (the "Agreement") with Canoe Mining Ventures Corp. ("Canoe Mining"), Glencore Canada Corporation ("Glencore") and Mega Uranium Ltd. ("Mega Uranium"), pursuant to which Canoe Mining is to purchase a 100% interest in the Hamlin-Deaty Creek Property (the "Property") located in the Shebandowan Belt 110 km west of Thunder Bay, Ontario. Current ownership of the Property is held in a joint venture between Glencore, Mega Uranium, and Rainy Mountain where Glencore is the operator and owner of a 51% interest, with Rainy Mountain and Mega Uranium each holding a 24.5% interest. Pursuant to the terms of the Agreement, and subject to the receipt of all required regulatory and exchange approval, in consideration for the Property, Canoe Mining has agreed to make a cash payment of $50,000 to Glencore and grant Glencore a 1% net smelter royalty ("NSR"), together with a right of first refusal for an off-take agreement. Additionally, Rainy Mountain and Mega Uranium will each be issued one million common shares of Canoe Mining. As of October 23, 2014, the subject transaction closed and the Company received one million common shares of Canoe Mining valued at $190,000 (based on the date of issue of the shares on October 2, 2014).

(j) On July 22, 2014, the Company reported that Ronald Coombes (former President and director), Edward Yurkowski (director) and Paul Saxton (director) voluntarily resigned from their positions with the Company. At that time, Douglas Mason, Chief Executive Officer, assumed the position and duties of the Company's President as the Company continues its focus of acquiring mineral resource exploration properties of merit.

(k) On March 18, 2014, the Company's option partner, Black Panther Mining Corp. ("Black Panther"), reported that it has elected to discontinue further exploration of its Olsen Property as exploration results to date do not warrant additional expenditures under present market conditions. The Olsen Property is a gold exploration property located approximately 60 km north of Sault Ste. Marie and 48 km east of Batchewana Bay, Ontario. By way of background, the Company entered into an option agreement, dated March 2, 2010, as amended (the "Agreement"), with Black Panther to give Black Panther the option to acquire up to a 50% interest in the Olsen Property. Under the Agreement, Black Panther was required to incur $250,000 in exploration expenditures by March 2, 2011 (completed) and therefore earned a 30% interest in the Olsen Property.

Selected Annual Information

	Year Ended April 30, 2015	Year Ended April 30, 2014	Year Ended April 30, 2013
Revenues	14,248	22,635	78,706
Operating loss	352,967	426,859	466,702
Net loss	(1,959,550)	(987,206)	(442,672)
Basic and diluted loss per share	(0.15)	(0.08)	(0.05)
Total assets	3,772,994	5,376,509	6,042,203
Total liabilities	366,379	211,130	84,868

Results of Operations

The following discussion addresses the operating results and financial condition of the Company for the three and twelve month period ended April 30, 2015 compared with the three and twelve month period ended April 30, 2014. The Management's Discussion and Analysis should be read in conjunction with the Company's audited financial statements and the accompanying notes for the years ended April 30, 2015 and 2014.

For the three month period ended April 30, 2015:

Net loss for the period

The Company had a net loss for the three month period ended April 30, 2015 of $275,424 (2014 - $539,873). The net decrease of $264,449 in the net loss for the three month period ended April 30, 2015 compared to the three month period ended April 30, 2014 was primarily due to a $263,610 change in other items and a decrease of $839 in general and administrative expenses.

Other income (expenses)

During the three month period ended April 30, 2015, the Company reported other net expenses of $217,613 compared to $481,223 in the three month period ended April 30, 2014 from other sources. Items that caused the net change in other items are noted in the following:

In comparison to the three month period ended April 30, 2014:

- Fair value change on marketable securities of $30,993 (2014 - $13,753) changed by $17,240 due to change of market values of securities held. The marketable securities the Company holds comprise of securities received from its option and/or joint venture partners under its farmout agreements.
- Equipment and facility rental income, and other income and recoveries of $13 (2014 - $4,010) decreased by $3,997 was mainly due to the equipment and facility rental income of $22,500 less reversal of a sublet office rent credit of $18,520 in the prior period.
- Write-down of receivables of $22,500 (2014 - $nil) increased by $22,500 due to a write-down of an uncollectible receivable.
- Impairment of exploration and evaluation assets of $164,133 (2014 - $471,480) decreased by $307,347 as a result of the Company writing down its Clay/Powell Property in the prior period.

Operating Expenses

General and administrative expenses of $57,811 (2014 - $58,650) are primarily comprised of consulting, management, administrative, professional fees, transfer agent fees and filing fees, and general office expenses. The net decrease was $839 compared to the three month period ended April 30, 2014. Items that caused the net decrease are noted in the following:

In comparison to the three month period ended April 30, 2014:

- Consulting fees of $16,250 (2014 - $1,600) increased by $14,650 mainly due to the recovery of $23,000 unpaid consulting/directors fees written off during the prior period.
- Depreciation of $1,782 (2014 - $5,221) decreased by 3,439. Depreciation decreases are due to reduced unamortized carrying values as property and equipment which are depreciated at annual rates using the declining balance method.
- Office and miscellaneous of $7,797 (2014 - $13,824) decreased by $6,027 due to the decrease in various office costs such as computer expense, office supplies, repair and maintenance and telephone and fax.
- Professional fees of $16,022 (2014 - $14,289) increased by $1,733 mainly due to allocation of audit service fees in the current period.
- Rent and utilities of $6,435 (2014 - $15,691) decreased by $9,256 mainly due to the elimination of the Thunder Bay exploration facility, the Company currently utilizes storage facilities in Thunder Bay in an effort to reduce future exploration facility rent and utility costs.
- Transfer agent and regulatory fees of $3,349 (2014 - $2,925) remained fairly consistent.
- Travel expenses of $22 (2014 - $1,234) was due to the reduction in travel and insurance costs required during the current period.
- Wages and benefits of $6,154 (2014 - $3,866) was due to the increased employee benefits allocated to the current period.

For the twelve month period ended April 30, 2015:

Net loss for the period

The Company had a net loss for the twelve month period ended April 30, 2015 of $1,959,550 (2014 - $987,206). The net increase of $972,344 in the net loss for the twelve month period ended April 30, 2015 compared to the twelve month period ended April 30, 2014 was primarily due to a change of $1,046,236 in other items offset by a $73,892 decrease in general and administrative expenses.

Other income (expenses)

During the twelve month period ended April 30, 2015, the Company reported other net expenses of $1,606,583 compared to $560,347 in the twelve month period ended April 30, 2014 from other sources. Items that caused the net decrease in other items are noted in the following:

In comparison to the twelve month period ended April 30, 2014:

- Fair value change on marketable securities of $155,407 (2014 - $22,240) changed by $133,167 due to change of market values of securities held. The marketable securities the Company holds comprise of securities received from its option and/or joint venture partners under its farmout agreements.
- Gain on sales of securities of $2,281 (2014 - $nil) increased by $2,281 due to the sales of securities on hand during the period.
- Other income and recoveries of $11,967 (2014 - $22,635) decreased by $10,668 mainly due to the equipment and facility rental income of $22,500 in the prior period.
- Loss on disposal of equipment of $13,174 (2014 - $nil) increased by $13,174 due to the disposition of retired equipment.
- Write-down of receivables of $22,500 (2014 - $nil) increased by $22,500 due to a write-down of an uncollectible receivable.
- Impairment of exploration and evaluation assets of $164,133 (2014 - $560,742) decreased by $396,609 as a result of the Company writing down its Olsen Property and Clay/Powell Property in the prior period.
- Loss on sale of exploration and evaluation assets of $1,265,617 (2014 - $nil) increased by $1,265,617 due to the sale of the Hamlin/Deaty property.

Operating Expenses

General and administrative expenses of $352,967 (2014 - $426,859) are primarily comprised of consulting, management, administrative, professional fees, transfer agent fees and filing fees, and general office expenses. The net decrease was $73,892 compared to the twelve month period ended April 30, 2014. Items that caused the net decrease are noted in the following:

In comparison to the twelve month period ended April 30, 2014:

- Administrative services of $nil (2014 - $24,000) decreased by $24,000 when compared to the prior period as the payment of shared expense recoveries ceased effective January 1, 2014.
- Consulting fees of $64,600 (2014 - $108,650) decreased by $44,050 mainly due to a reduction in consulting and directors fees to related parties and other non-related parties during the current period.
- Depreciation of $12,087 (2014 - $20,886) decreased by $8,799. Depreciation decreases are due to reduced unamortized carrying values as property and equipment which are depreciated at annual rates using the declining balance method.
- Investor relations of $1,804 (2014 - $3,747) decrease by $1,943 due to the decrease activities with investors.
- Office and miscellaneous of $53,012 (2014 - $36,998) increased by $16,014 mainly due to $17,085 in moving costs of the Company's Thunder Bay exploration facility to a storage facility in an effort to reduce future exploration facility rent and utility costs and offset by decreases in various other office costs.
- Professional fees of $81,838 (2014 - $65,110) increased by $16,728 mainly due to the increase in legal services with corporate matters.
- Rent and utilities of $33,663 (2014 - $100,216) decreased by $66,553 mainly due to the elimination of the Thunder Bay exploration facility, the Company currently utilizes storage facilities in Thunder Bay in a n effort to reduce future exploration facility rent and utility costs.
- Share-based payments of $50,911 (2014 - $nil) increased by $50,911 due to due to the timing of the option issuances in each period when and if such options are available.

- Transfer agent and regulatory fees of $30,841 (2014 - $29,912) remained fairly consistent.
- Travel expenses of $417 (2014 - $4,168) decreased by $3,751 due to a reduction in travel and insurance costs required during the current period.
- Wages and benefits of $23,794 (2014 - $33,172) decreased by $9,378 due to a reduction and allocation of staffing during the current period.

LIQUIDITY AND CAPITAL RESOURCES

The Company's mineral exploration activities have been funded to date primarily through the issuance of common shares, and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from its mining operations. Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future.

Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on its properties, as well as its continued ability to raise capital.

The Company does not anticipate spending its own capital resources on exploration in the next twelve months. The Company principally engages in option agreements with optionees paying 100% of the exploration costs. Under such arrangements, the optionees are responsible for exploration expenditures on such properties and pay fees to the Company (in cash or shares) as part of the agreement to earn an interest in the Company's properties. The Company is continuing its search for additional opionees and joint venture partners and will attempt to meet expenditure requirements through such arrangements rather than through the spending of its own capital resources.

Currently, the Company receives fees on the properties under its option agreements and from the rental of its exploration equipment and facilities, for the year ended April 30, 2015, $28,500 (in fair value shares) was received (2014 - $27,500). Funds are not adequate to cover the Company's overhead expenses which currently amount to approximately $28,000 per month which includes; 1) consulting agreements totaling $7,500 per month, and 2) a lease of office space commitment with a basic monthly rent commitment of $932 and current shared operating costs of $512.

The Company assesses its financing requirements and its ability to access equity or debt markets on an ongoing basis. The assessment considers: the stage and success of the Company's evaluation activities to date; the continued participation of the Company's partners in evaluation activities; and financial market conditions. The Company had recently closed three private placements (as announced on November 6, 2013, May 7, 2013, and November 7, 2014) and raised $605,875 to cover the Company's working capital deficit. It is possible that future economic events and global conditions may result in further volatility in the financial markets which could negatively impact the Company's ability to access equity or debt markets in the future.

As at April 30, 2015, the Company had a working capital deficit of $203,153 compared to a working capital deficit of $99,027 as at April 30, 2014. As at April 30, 2015, the Company had cash of $5,930 compared to cash of $14,051 as at April 30, 2014.

Net cash used in operating activities for the year ended April 30, 2015 was $145,140 compared to $322,605 for the year ended April 30, 2014, consisting primarily of the operating loss for the year and the change in non-cash items.

Net cash used in investing activities for the year ended April 30, 2015 was $17,856 compared to $2,340 for the year ended April 30, 2014. Cash was used for net exploration and evaluation assets investment of $34,373 (2014 - $840), proceeds on sale of investments of $13,517 (2014 - $nil), proceeds on sale of equipment of $1,500 (2014 - $nil) and a return of deposit of $1,500 (2014 increase in deposits - $1,500).

Net cash provided from financing activities for the year ended April 30, 2015 was $154,875 (2014 - $240,250) from net proceeds of issuance of share capital of $156,375 (2014 - $222,500), share issue costs of $6,500 (2014 - $27,250), repayment of loan of $55,000 (2014 - $nil) and loan proceeds of $60,000 (2014 - $45,000).

SUMMARY OF QUARTERLY RESULTS

	April 30, 2015	January 31, 2015	October 31, 2014	July 31, 2014
Total assets	3,772,994	3,997,491	4,108,471	5,419,325
Exploration and evaluation assets	3,600,294	3,766,667	3,765,092	5,218,015
Working capital (deficit)	(215,653)	(108,384)	(26,010)	(132,984)
Shareholders' equity	3,406,615	3,682,039	3,780,507	5,130,111
Other income (loss)	13	(117,666)	(57,110)	51,423
Operating expenses	57,811	76,677	131,788	86,691
Impairment of exploration and evaluation assets	164,133	-	1,265,617	-
Net loss	(275,424)	(194,343)	(1,454,515)	(35,268)
Basic and diluted loss per share *	(0. 01)	(0. 01)	(0. 12)	(0. 00)

	April 30, 2014	January 31, 2014	October 31, 2013	July 31, 2013
Total assets	5,376,509	5,858,892	5,963,821	5,953,043
Exploration and evaluation assets	5,214,171	5,696,389	5,785,611	5,805,164
Working capital	(99,027)	(65,093)	35,065	22,803
Shareholders' equity	5,165,379	5,705,252	5,881,354	5,902,367
Other income (loss)	8,248	16,830	669	(7,361)
Operating expenses	58,650	103,670	121,682	142,857
Impairment of exploration and evaluation assets	471,480	89,262	-	-
Net loss	(539,873)	(176,102)	(121,013)	(150,218)
Basic and diluted loss per share *	(0.04)	(0.01)	(0.01)	(0.01)

* During the year ended April 30, 2015, the Company consolidated its share capital on a 4 old shares for 1 new share basis. All common shares, stock options, warrants and dollar value per share amounts are stated on a post consolidated basis unless otherwise stated.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet transactions.

PROPOSED TRANSACTIONS

The Company does not have any current proposed asset or business acquisition of dispositions; however, the Company continues to seek new business opportunities to raise capital.

RELATED PARTY TRANSACTIONS

During the year ended April 30, 2015, the Company paid or accrued the following amounts to companies controlled by directors and former directors or companies having certain directors and former directors in common:

Name of Company, Directors and/or Officers	Directors/Officers	April 30, 2015	April 30, 2014
Expenses:			
Beachfront Enterprises Limited Partnership (Rent)	A limited partnership, the majority of which is owned by a director, namely, Douglas L. Mason	$ 35,709	$ 45,663
Bruce E. Morley Law Corp. (Legal services)	A company controlled by a director, namely, Bruce E. Morley	28,000	27,000
Criterion Capital Corporation (Consulting fees)	A company controlled by a director, namely, Douglas L. Mason	30,000	30,000
(Interest and facility fee)		9,719	-
Coombes and Sons Administration Inc. (Consulting fees)	A company controlled by a former director, namely, Ronald A. Coombes	-	10,000
Sead Hamzagic, Inc. (Financial Consulting fees)	A company controlled by a director, namely, Sead Hamzagic	27,600	26,400
Edward Yurkowski (Director's fees)	Edward Yurkowski (former director)	-	500
Paul Saxton (Director's fees)	Paul Saxton (former director)	-	500
Sabrina Jones (Director's fees)	Sabrina Jones (former director)	-	1,500
Gorand Enterprises Inc. (Director's fees)	A company controlled by a director, namely, Andrzej Kowalski	2,000	2,000
Waterfront Capital Corporation (Shared expense recoveries)	A company with directors in common, namely, Douglas L. Mason, Bruce E. Morley, Sead Hamzagic and Andrzej Kowalski	-	24,000

The Company reimbursed Waterfront Communications Inc. (a company with certain directors in common) on a cost basis, to cover shared administrative and geological payroll costs in the amount of $23,794 (2014 - $33,172) and shared expenses in the amount of $22,877 (2014 - $24,175).

Included in Accounts Receivable at April 30, 2015 is $25,000 (2014 - $25,000) expense reimbursement from Copper Lake Resources Ltd., a company with certain former directors in common and $2,165 (2014 - $nil) rent credit from Waterfront Communications Inc., a company with certain former directors in common.

Included in deposits at April 30, 2015 is $nil (2014 - $1,500) as a payroll administration deposit paid to Waterfront Communications Inc. (a company with certain directors in common), to cover shared employee payroll costs.

As at April 30, 2015, accounts payable and accrued liabilities include $210,314 (2014 - $97,807) owing to companies with certain directors in common or companies controlled by directors or former directors as follows:

Name of Company, Director or Officer	**Directors/Officers**	**April 30, 2015**	**April 30, 2014**
Beachfront Enterprises Limited Partnership (Rent)	A limited partnership, the majority of which is owned by a director, namely, Douglas L. Mason	40,289	20,370
Criterion Capital Corporation	A company controlled by a director, namely, Douglas L. Mason		
(Consulting fees)		49,875	21,922
(Interest)		3,101	-
Sabrina Jones (Director's fees)	Sabrina Jones (former director)	1,000	1,000
Gorand Enterprises Inc. (Director's fees)	A company controlled by a director, namely, Andrzej Kowalski	3,675	1,575
Sead Hamzagic, Inc. (Financial Consulting fees)	A company controlled by a director, namely, Sead Hamzagic	45,150	18,480
Bruce E. Morley Law Corp. (Legal services)	A company controlled by a director, namely, Bruce E. Morley	49,000	20,160
Waterfront Capital Corporation (Shared expense recoveries)	A company with certain directors in common, namely, Douglas L. Mason, Bruce E. Morley, Sead Hamzagic and Andrzej Kowalski	6,300	6,300
Waterfront Communications Inc. (Wages and benefits and shared expense recoveries)	A company with certain directors and former directors in common, Douglas L. Mason, Bruce E. Morley, Ronald Coombes and Sead Hamzagic	11,924	8,000
		$ 210,314	$ 97,807

The Company entered into a loan agreement, dated July 23, 2014, pursuant to which the lender agreed to loan the Company up to $100,000 for working capital purposes. The loan was provided by Criterion Capital Corporation, a company controlled by Douglas Mason, a director and an officer of the Company, and each loan advance is for a term of one year with interest at a rate of 1% per month (12% per annum) and a loan facility fee of $2,500. This loan agreement included (and consolidated under one agreement) certain previous loan advances of $45,000 which were received by the Company. The Company further received a $15,000 loan advance on June 11, 2014, a $30,000 loan advance on August 21, 2014 and a $15,000 loan advance on October 17, 2014. The Company repaid $32,500 on October 22, 2014 and $22,500 on November 17, 2014. As at April 30, 2015, $50,000 remains outstanding. No loan bonus shares were issued in connection with this loan.

COMMITMENTS

The Company entered into three five-year term renewable agreements, as amended, with companies controlled by three directors of the Company for the provision of consulting and/or legal services at a collective aggregate cost of $7,500 per month ($90,000 per annum). If any of such agreements are terminated without cause or if there is a change in control of the Company, the Company was required to pay an amount equal to five times the annual fee payable under the agreements. Effective May 1, 2015, the compensation payable on termination was changed, and accordingly, if any of such agreements are terminated without cause, or if there is a change in control of the Company, the Company is required to pay $150,000 to such contracted party so affected.

The Company has also entered into three agreements with certain directors/officers for services rendered in such capacities. Effective May 1, 2015, the compensation payable on termination was reduced, and accordingly, if such agreements are terminated without consent of the director/officer or the director/officer resigns within 120 days following a change in control, the Company must pay $50,000 (previously $100,000) to such director/officer and allow any unvested stock options to vest.

CAPITAL MANAGEMENT

The Company's shareholders equity comprises its capital under management. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to maximize ongoing development efforts, the Company does not pay dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 365 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

To fund future operations and exploration activities, the Company will need to raise funds through future share issuances, issue new debt or dispose of assets.

There have been no changes to the Company's approach to capital management during the year ended April 30, 2015. The Company is not subject to externally imposed capital requirements.

FINANCIAL INSTRUMENTS

Fair value

The Company classified its cash and cash equivalents as fair value through profit and loss; marketable securities, as held-for-trading; receivables and deposits, as loans and receivables; and accounts payable and accrued liabilities, as other financial liabilities.

The carrying values of cash and cash equivalents, receivables, deposits, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

The Company's measurement of fair value of financial instruments in accordance with the fair value hierarchy is as follows:

	Total	Level 1	Level 2	Level 3
April 30, 2015				
Cash and cash equivalents	$ 5,930	$ 5,930	$ -	$ -
Marketable securities	$ 106,614	$ 106,614	$ -	$ -
April 30, 2014				
Cash and cash equivalents	$ 14,051	$ 14,051	$ -	$ -
Marketable securities	$ 42,857	$ 42,857	$ -	$ -

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

Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its payment obligations. The Company is exposed to credit risk with respect to its cash and cash equivalents and receivables.

The Company's credit risk is primarily attributable to cash and cash equivalents. Management believes that the credit risk concentration with respect to cash and cash equivalents is remote, as it maintains accounts with highly-rated financial institutions. Receivables are due primarily from unrelated parties.

The Company is exposed to credit risk on its receivables. Credit risk with respect to receivables has been assessed as low by management, as the Company has strong working relationships with the parties involved.

Included in cash equivalents at April 30, 2015 are cashable guaranteed investment certificates earning interest at prime minus 2.0%.

The Company's concentration of credit risk and maximum exposure thereto is as follows:

	April 30, 2015	April 30, 2014
Bank account	$ 180	$ 2,449
Guaranteed investment certificate	5,750	11,500
Investment cash accounts	-	102
Total	$ 5,930	$ 14,051

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. At April 30, 2015, the Company had accounts payable and accrued liabilities of $316,379 (2014 - $166,130) and a loan in the amount of $50,000 (2014 - $45,000).

Based on the current funds held, the Company will need to rely upon financing from shareholders and/or debt holders to obtain sufficient working capital. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk, and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its marketable securities, as they are carried at fair values based on quoted market prices.

Given the balance of the marketable securities, the Company is not exposed to significant other price risk.

OUTSTANDING SHARE DATA as at August 21, 2015:

During the year ended April 30, 2015, the Company consolidated its share capital on a 4 old shares for 1 new share basis. All common shares, stock options, warrants and dollar value per share amounts are stated on a post consolidated basis unless otherwise stated.

a) Authorized Share Capital:
Unlimited number of common shares without par value

b) Issued Share Capital:
14,410,293 common shares with a stated value of $20,742,910

c) Outstanding stock options:

	Expiry Date	Exercise Price	Number of Options
	May 6, 2016	$ 0.58	504,000
	July 24, 2017	$ 0.40	18,750
Outstanding and exercisable			**522,750**

d) Outstanding share purchase warrants:

Expiry Date		Exercise Price	Number of Warrants
	November 6, 2016	$ 0.10	1,575,000
	February 22, 2018	$ 0.40	962,500
	May 6, 2018	$ 0.40	2,017,500
	November 5, 2018	$ 0.20	500,000
Outstanding			**5,055,000**

e) Shares held in escrow or pooling agreements: nil

DIRECTORS AND OFFICERS

Douglas Mason, President, CEO and Director
Sead Hamzagic, CFO and Director
Bruce Morley, Director
Andrzej Kowalski, Director
Robert S. Middleton, VP Exploration and Qualified Person