COUGAR MINERALS CORPORATION

Management Discussion and Analysis

For six and three months ended March 31, 2015 and 2014
Dated May 26, 2015
(Form 51-102F1)

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Cougar Minerals Corporation (the "Company" or "Cougar") has been prepared by management, in accordance with the requirements of National Instrument of 51-102 as of May 26, 2015 and should be read in conjunction with the unaudited condensed Interim consolidated financial statements for the six and three months ended March 31, 2015 and 2014 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The following should also be read in conjunction with the audited financial statements and the related MD&A for the year ended September 2014 and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in NI 51-102. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and the Company's website at www.cougarminerals.com

All financial information in this MD&A related to 2015 and 2014 has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Company, unless otherwise indicated.

FORWARD LOOKING STATEMENTS

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

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

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

OVERVIEW

Description of the business

Cougar Minerals Corp. is an exploration stage company engaged in the acquisition and exploration of natural resource properties.

At March 31, 2015, the Company reported a working capital deficiency of $664,143 (September 30, 2014 – $470,143) and will require additional financing from outside participation to undertake further exploration and subsequent development of its mineral properties. At March 31, 2015, the Company had not yet achieved profitable operations, has accumulated losses of $9,232,207 (September 30, 2014 - $8,654,931) since its inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Company to raise equity financing, the attainment of profitable operations, external financings and further share issuances.

SIGNIFICANT EVENTS

At the Annual and Special General Meeting on March 29, 2012, Murray Nye was appointed President, Chief Executive Officer and Director; Max Polinsky was appointed Chief Financial Officer, Corporate Secretary and Director; and Mike Elson was appointed Chairman of the Company. On January 10, 2013, Christopher Grove resigned as Director to pursue other opportunities. On April 24, 2013, Mile Elson resigned as Director and Chairman of the Company and Murray Nye was appointed Chairman. Mark Tommasi and Derek Huston were appointed as Directors of the Company on April 24, 2013 and Mark Tommasi was appointed as Chairman of the Audit Committee. Mark Tommasi and Derek Huston have extensive experience in the mining sector and both will be assets to the Company. On January 16, 2014, Larry Segerstrom was appointed to the Board of Directors and the position of Qualified Person (QP), as defined under NI43-101, for work programs carried out over the Company properties. Ross Blusson and Derek Huston resigned as Directors and will continue as Advisory Board Members. Larry Segerstrom was appointed to the Audit Committee filling the position vacated by Ross Blusson.

The Company completed a share consolidation of 4:1 having been approved at the Meeting of the shareholders of the Company held on December 27, 2013 and accepted by the TSX Venture Exchange. The consolidation resulted in the number of issued and outstanding shares of the Company being reduced from 14,534,059 common shares without par value to 3,633,514 common shares. The Company retains the same trading symbol, "COU" and began to trade on a consolidated basis on December 31, 2013.

On January 24, 2014, Max Polinsky resigned as Corporate Secretary and Megan Francis was appointed as Corporate Secretary.

During the year ended September 30, 2014, preliminary work was done to explore and evaluate the Senator Stewart property in Idaho, U.S.A.. Subsequent to the year end, the Company discovered that clear title to the property did not reside with the Lease Assignor which invalidates the Assignment of Mining Lease Agreement. The Company is investigating restitution options.

During the year ended September 30, 2014, preliminary work was done to explore and evaluate the San Antonio and Tres Amantes properties in Chile. Due to unfavourable market conditions, the Company has decided not to pursue the options.

OVERALL PERFORMANCE

In summary, the Company's financial performance decreased over the six months ended March 31, 2015. Working capital decreased by $194,000 from a working capital deficit of ($470,143) at September 30, 2014 to a working capital deficit of ($664,143) at March 31, 2015. The decrease over the period is mainly attributed to:

- Proceeds from subscriptions due of $Nil (Oct 2013 – Mar 2014 - $88,300).
- Net proceeds from units issued of $Nil (Oct 2013 – Mar 2014 – $1,673,206).
- Loss on securities revaluation of $Nil (Oct 2013 - Mar 2014 - $4,000).
- Expending $3,807 (Oct 2013 - Mar 2014 – $976,499) on exploration and evaluation assets.
- Expending $120,000 (Oct 2013 - Mar 2014 - $120,000) on management fees.

- Expending $29,596 (Oct 2013 - Mar 2014 - $68,172) on legal, audit and accounting fees.
- On-going administrative and office expenses.

EXPLORATION ACTIVITIES

Rice Lake, Manitoba

Subject to two (2) separate option agreements, the Company had acquired a 100% interest in various mineral claims in the Rice Lake area in south east Manitoba.

On September 26, 2013 the Company entered into a Purchase Agreement with San Gold Corporation ("San Gold") in which San Gold would purchase 100% of the Company's interest in the Rice Lake properties. The Agreement was amended on October 9, 2013 to include two additional mining claims and closed on October 17, 2013. The purchase price consists of cash in the amount of $125,000 and 400,000 shares in the stock of San Gold with a value of $64,000. All shares were sold during the year ended September 30, 2014 for gross proceeds of $58,755.

During the year ended September 30, 2013, the loss on this sale being the difference between the total accumulated exploration costs on the Rice Lake property and the proceeds of the sale in the amount of $1,217,231 were determined to be impaired and were written off to operations. The remaining carrying value of the property costs was reclassified as an asset held-for-sale which was sold on October 17, 2013.

Montana, U.S.A.

The Company has evaluated several mining opportunities in the state of Montana. Management has had extensive experience in the precious metals sector in Montana in the past. In November, 2012, the Company paid $498,250 ($500,000 US) as a due diligence and purchase deposit on property evaluation in Montana, U.S.A. On March 19, 2013, $249,135 ($250,000US) of this deposit was used to purchase the Silver Bar Mining Lease. On March 28, 2013, the remaining $249,135 ($250,000US) of this deposit was used to purchase the Geel Property Option and Joint Venture Agreement.

Geel Property - Montana, U.S.A.

On March 28, 2013, the Company entered into a Property Option and Joint Venture Agreement with an arms-length party to acquire an undivided fifty percent (50%) interest in and to the Mining Lease of three (3) patented mining claims located in Madison County, Montana. The Company has incurred the required $405,674 ($400,000US) in expenditures on the Property and has paid $249,125 ($250,000US) required to acquire a 25% interest. The Company is required to pay 25% of the required obligations as lessee under the Mining Lease. The Company has the option to acquire an additional undivided 25% interest, for a total of 50% interest, upon incurring a further $500,000 US in expenditures on or before December 31, 2014 (extended) and an additional $500,000 US on or before December 31, 2015. The lease payments and any expenditures incurred in excess of the $400,000US paid to acquire the first 25% interest shall be applied towards the $1,000,000 US expenditures required to acquire the second 25% interest. As at September 30, 2014, the Company has paid $132,078 ($125,710US) towards the required $500,000US due before December 31, 2014. If and when the Option is exercised and the Company holds a 50% interest in the Mining Lease, the parties will execute the Joint Venture Agreement for the future exploration and development of the property.

Subsequent to the year-end, the Company received notice of termination of the option agreement; however, the Company continues with on-going negotiations regarding the property.

The Company has intersected high-grade gold and silver mineralization on its initial 19-hole drill program on the property. Highlights from the drill program include:

- Hole G3 – intersected 5.25 ft (1.6 metres) (true width) averaging 0.28 opt gold (9.60 *g/t* Au) and 0.85 opt silver (29.14 *g/t* Ag).
- Hole G7 – intersected 5 ft (1.5 metres) (true width) averaging 1.23 opt gold (42.17 *g/t* Au) and 1.88 opt silver (64.46 *g/t* Ag). This included a 1ft (0.3 m) interval averaging 5.9 opt gold (202.29 *g/t* Au) and 8.8 opt silver (301.71 *g/t* Ag).

The Geel gold and silver mine property covers a portion of the Geel trend, a quartz vein system, that has been traced for over 4 miles (6.4 km). The Company's Geel property hosts a small high grade gold and silver mine that has seen limited historical production. At the mine side, an old adit follows the strike of the vein for about 85 ft. (26 metres) and a mined out stope is situated 50 ft. (15 metres) from the portal. The vein measures on average about 4.5 ft. (1.37 metres) wide. A total of 45 chip samples were taken by the Company along a 50 ft. (15 metre) section of the vein at 5 ft. (1.5 metre) intervals. The average grade of these samples was 0.23 opt gold (7.89 g/t Au) and 1.03 opt silver (35.31 g/t Ag).

Silver Bar Property - Montana, U.S.A.

On March 19, 2013, the Company entered into a Mining Lease Assignment Agreement with an arms-length party to acquire an undivided one hundred percent (100%) leasehold interest in the Mining Lease of the patented lode mining claim known as the Silver Bar, M.S. #9900. The Company has incurred expenditures of $99,388 ($100,000US). In addition to the $100,000US, additional expenditures of $37,023 ($35,508US) have been incurred in further exploration work on the property to date as part of the due diligence investigations. The purchase price for the Mining Lease of $249,125 ($250,000US) is paid and advanced to the Assignor.

The Silver Bar Lode mine is in a bedding parallel shear in the Cherry Creek Series of Algonkian age. The Silver Bar Lode mine was discovered in the late 1800's and produced high grade silver and lead ore with good gold values. Reports indicate hand-picked ore shipped to smelters assayed from 52 to 577 ounces of silver and 0.07 to 0.16 ounces of gold per ton. This rich "Bonanza" silver was mined from an oxidized zone above the water level. The strategy for creating value at the Silver Bar silver property is to explore the unmined sulfide ore below the water table.

Due to unfavourable market conditions, the Company decided not to pursue further exploration on the property. Accordingly, the Company wrote off $385,537 related to the Silver Bar project as at March 31, 2015.

Senator Stewart Property – Idaho, U.S.A.

On January 31, 2014, the Company entered into an Assignment of Mining Lease Agreement with Quest Minerals Corporation (the "Assignment Agreement") for the acquisition of Senator Stewart Property (the "Project") located in Idaho, USA. The transaction is arm's length to the Company.

Under the terms of the Assignment Agreement Cougar will acquire all rights under the lease agreement from Quest Minerals, Inc. a private Idaho company, which currently holds the agreement with Silver Bowl, Inc. for the Senator Stewart property by paying $83,738 ($75,000US) (Paid) in cash and issuing 1,000,000 common shares (issued at a value of $205,000). In addition to the quarterly lease payment of $2,500US ($3,607 [$3,333US] paid for Mar-Jun14) Cougar will assume all underlying payment obligations including governmental taxes, levies and fees and an advance royalty payment of $10,000 annually. Cougar will be obligated to perform a minimum of $100,000 in assessment work before December 31, 2015 and an additional $50,000 in assessment work minimum per year thereafter. The Senator Stewart Property is subject to a 2% net smelter return royalty payable to Silver Bowl Inc.

Subsequent to the year-end, the Company discovered that clear title to the property did not reside with Silver Bowl. This invalidates the Assignment of Mining Lease Agreement with Quest. Accordingly, the Company wrote off $293,302 related to the Senator Stewart project as at September 30, 2014 and is investigating restitution options.

San Antonio – Chile

On March 12, 2014, the Company entered into an Assignment and Novation Agreement with the Sociedad De Asesoria Jurdica y Economica Minem S.A. ("Minem"), an arm's length party, to acquire all rights under a memorandum of understanding with the Sociedad Contractual Minera San Antonio (the "San Antonio MOU") for the option to acquire a 100% interest in the San Antonio concession located in Chile's Atacama Region. The San Antonio project includes the following mining concessions: San Antonio 1-10 with an area of 50 hectares and Susy Uno 1-37 with an area of 200 hectares. The Company has the option to acquire a 100% interest in San Antonio by paying $25,121 ($22,500US) (paid) in cash and issuing 500,000 common shares in the Company (issued with a value of $110,000) assuming all underlying payment obligations including $600,000US ($55,362 [$50,000US] paid) in cash on or before June 25, 2015 to exercise the option.

The Company has the option to extend the expiry day by 12 months by paying an additional $75,000US and has the right to cancel the Agreement at any time. The Company executed and delivered a Notice of Termination to the San Antonio Transferors on January 16, 2015 due to unfavourable market conditions; accordingly, the Company wrote off $218,696 related to the San Antonio concessions as at September 30, 2014.

Tres Amantes – Chile

On March 12, 2014, the Company entered into an additional Assignment and Novation Agreement with Minem to acquire all rights under a memorandum of understanding with the Sociedad De Inversiones Puelche Limitada (the "Tres Amantes MOU") for the option to acquire a 100% interest in the Tres Amantes concession located in Chile's Atacama Region. The Tres Amantes project includes the following mining concessions: Tres Amantes 1-6 with an area of 30 hectares and Tres Amantes 7-20 with an area of 70 hectares. The Company has the option to acquire a 100% interest in Tres Amantes by paying $25,121 ($22,500 US) (paid) in cash and issuing 500,000 common shares in the Company (issued with a value of $110,000) assuming all underlying payment obligations including $600,000US in cash ($55,362 [$50,000US] paid) on or before July 25, 2015 to exercise the option. The payment terms include $3,000US monthly payments ($29,502 [$27,000US] paid for Jan-Sep14) for 18 months to be credited towards the remaining $550,000 US. The Company will also pay a minimum royalty payment to Inversiones Puelche that corresponds to 7% of the net sales of minerals. The Company is required to make advance royalty payments of $5,000US monthly ($53,754 [$50,000US] paid for Dec13-Sep14), regardless of the previous month's sales being lower or nil, effective December, 2013. The Company has the right to extend the expiry date by 12 months by paying an additional $75,000US or cancel the Agreement at any time. The Company executed and delivered a Notice of Termination to the Tres Amantes Transferors on January 16, 2015 due to unfavourable market conditions; accordingly the Company wrote off $337,631 related to the Tres Amantes concessions as at September 30, 2014.

The following chart details exploration and evaluation activities for the six months ended March 31, 2015 and 2014:

Categories	2015Q2 $	2014Q2 $	Change $
Geel-Montana, USA			
Lease	2,688	2,824	(136)
Camp and field costs	-	16,588	(16,588)
Geological	-	2,858	(2,858)
Legal	-	9,467	(9,467)
Totals, Geel-Montana, U.S.A.	2,688	31,737	(29,050)
Silver Bar-Montana, USA			
Lease	1,120	7,543	(6,423)
Camp and field costs	-	554	(554)
Written off during the period	(385,537)	-	(385,537)
Totals, Silver Bar-Montana, U.S.A.	(384,417)	8,097	(392,514)
Senator Stewart, Idaho, USA			
Acquisition costs	-	241,238	(241,238)
Lease	-	921	(921)
Camp and field costs	-	3,643	(3,643)
Totals, Senator Stewart, Idaho, USA	-	245,802	(245,802)
San Antonio, Chile			
Acquisition costs	-	144,438	(144,438)
Geological	-	14,861	(14,861)
Legal	-	30,211	(30,211)
Totals, San Antonio, Chile	-	189,510	(189,510)
Tres Amantes, Chile			
Acquisition costs	-	148,808	(148,808)
Geological	-	14,861	(14,861)
Legal	-	34,745	(34,745)
Royalty payments	-	21,688	(21,688)
Totals, Tres Amantes, Chile	-	220,102	(220,102)
Total Expenditures	(381,729)	695,248	(1,076,976)
Balance as at 30Sep14	1,168,606	1,128,407	
Balance as at 31Mar15	786,877	1,823,655	

The following chart details exploration and evaluation activities for the three months ended March 31, 2015 and 2014:

Categories	2015Q2 $	2014Q2 $	Change $
Geel-Montana, USA			
Lease	1,425	1,648	(223)
Camp and field costs	-	20,000	(20,000)
Geological	-	2,858	(2,858)
Legal	-	7,084	(7,084)
Totals, Geel-Montana, U.S.A.	1,425	31,590	(30,165)
Silver Bar-Montana, USA			
Lease	-	3,333	(3,333)
Camp and field costs	-	2,500	(2,500)
Written off during the period	(385,537)	-	(385,537)
Totals, Silver Bar-Montana, U.S.A.	(385,537)	5,833	(391,370)
Senator Stewart, Idaho, USA			
Acquisition costs	-	241,238	(241,238)
Lease	-	921	(921)
Camp and field costs	-	3,643	(3,643)
Totals, Senator Stewart, Idaho, USA	-	245,802	(245,802)
San Antonio, Chile			
Acquisition costs	-	144,438	(144,438)
Geological	-	14,861	(14,861)
Legal	-	30,211	(30,211)
Totals, San Antonio, Chile	-	189,510	(189,510)
Tres Amantes, Chile			
Acquisition costs	-	148,808	(148,808)
Geological	-	14,861	(14,861)
Legal	-	34,745	(34,745)
Royalty payments	-	21,688	(21,688)
Totals, Tres Amantes, Chile	-	220,102	(220,102)
Total Expenditures	(384,112)	692,837	(1,076,950)

SELECTED ANNUAL INFORMATION

The following table represents selected financial information of the Company for the three most recently completed financial years and should be read in conjunction with the Company's audited financial statements:

	September 30, 2014	September 30, 2013	September 30, 2012
Total revenue	$ -	$ -	$ -
Loss and comprehensive loss for the year	(1,678,485)	(1,880,270)	(335,429)
Basic and diluted loss per share	(0.09)	(0.55)	(0.16)
Total assets	1,184,222	1,339,597	1,424,763
Total long term liabilities	-	-	-

RESULTS OF OPERATIONS

For the six months ended March 31, 2015 and 2014

Revenues

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

General and administrative expenses

During the six months ended March 31, 2015 the Company recorded a loss of $577,276 ($0.023 per share) compared to a loss of $518,573 ($0.043 per share) for the six months ended March 31, 2014.

Operating expenses were $188,130, including share based payments in the amount of $1,547 for the six months ended March 31, 2015, compared to $490,364, including share based payments in the amount of $141,895 for the six months ended March 31, 2014.

During the six months ended March 31, 2015, the Company wrote off exploration and evaluation assets in the amount of $385,537. During the six months ended March 31, 2014, the Company did not write-off exploration and evaluation assets.

The following chart details the operating expenses comparatives for the six months ended March 31, 2015 and 2014:

Expenses	2015Q2 $	2014Q2 $	Change $
Management Fees	120,000	120,000	-
Accounting and audit	25,874	27,600	(1,726)
Legal Fees	4,521	40,572	(36,051)
Consulting Fees	(799)	-	(799)
Office and Admin	18,356	23,431	(5,075)
Filing & transfer fees	13,768	47,028	(33,260)
Travel	-	26,681	(26,681)
Bank service charges	507	1,799	(1,292)
Investor relations	1,267	52,779	(51,512)
Insurance	2,188	2,850	(662)
Rent	900	5,730	(4,830)
Foreign Exchange	3,610	28,642	(25,032)
Total expenses	190,192	377,111	(186,920)
Share-based payments	1,547	141,895	(140,348)
Market revaluation	-	4,000	(4,000)
Gain on debt settlement	-	(4,433)	4,433
Write off of exploration and evaluation assets	(385,537)	-	(385,537)

- The Company received a credit in consulting expenditures in the amount of $799 in the current period compared to $Nil during the previous period. The Company incurred $120,000 in expenses regarding management fees in both the current and previous period. The Company incurred investor relations expenditures in the amount of $20 in the current period compared to $52,779 during the previous period. The Company incurred a loss in foreign exchange in the amount of $3,610 in the current period compared to $28,642 in the previous period. The Company incurred a loss on the revaluation of marketable securities in the amount of $Nil in the current period compared to $4,000 in the previous period. The Company incurred a gain in debt settlement in the amount of $Nil in the current period compared to $4,433 in the previous period.

For the three months ended March 31, 2015 and 2014

Revenues

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

General and administrative expenses

During the three months ended March 31, 2015 the Company recorded a loss of $483,567 ($0.019 per share) compared to a loss of $351,833 ($0.017 per share) for the three months ended March 31, 2014.

Operating expenses were $95,423, including share based payments in the amount of $1,188 for the three months ended March 31, 2015, compared to $355,073, including share based payments in the amount of $141,895 for the three months ended March 31, 2014.

During the three months ended March 31, 2015, the Company wrote off exploration and evaluation assets in the amount of $385,537. During the three months ended March 31, 2014, the Company did not write-off exploration and evaluation assets.

The following chart details the operating expenses comparatives for the three months ended March 31, 2015 and 2014:

	2015	2014	Change
Expenses	$	$	$
Management Fees	60,000	60,000	-
Accounting and audit	14,128	10,641	3,488
Legal Fees	-	22,488	(22,488)
Office and Admin	9,000	12,952	(3,952)
Filing & transfer fees	9,196	39,516	(30,320)
Travel	-	21,759	(21,759)
Bank service charges	116	629	(513)
Investor relations	1,247	42,234	(40,987)
Insurance	547	1,094	(547)
Rent	-	1,866	(1,866)
Foreign Exchange	2,607	15,100	(12,493)
Total expenses	96,842	228,278	(131,436)
Stock-based Comp	1,188	141,895	(140,707)
Loss on sale of MarkSec	-	(16,000)	16,000
Gain on debt settlement	-	(2,340)	2,340
Write-offs	(385,537)	-	(385,537)

- The Company incurred $60,000 in expenses regarding management fees in both the current and previous period. The Company incurred investor relations expenditures in the amount of $1,247 in the current period compared to $42,234 during the previous period. The Company incurred a loss in foreign exchange in the amount of $2,607 in the current period compared to $15,100 in the previous period. The Company incurred a loss on the revaluation of marketable securities in the amount of $Nil in the current period compared to a gain of $16,000 in the previous period. The Company incurred a gain in debt settlement in the amount of $Nil in the current period compared to $2,340 in the previous period.

SUMMARY OF QUARTERLY RESULTS

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Earnings (loss) for the period	(483,567)	(93,709)	(1,017,310)	(142,602)
Exploration and evaluation assets	786,877	1,170,989	1,168,606	1,848,627
Total assets	790,211	1,175,697	1,184,222	1,935,973
Gain(loss) per share	(0.019)	(0.004)	(0.04)	(0.009)

	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Earnings (loss) for the period	(351,833)	(166,740)	(1,385,803)	(106,442)
Exploration and evaluation assets	1,823,656	1,130,818	1,128,407	2,478,217
Total assets	1,943,300	1,238,044	1,339,597	2,501,814
Gain(loss) per share	(0.03)	(0.05)	(0.38)	(0.03)

During the quarter ended March 31, 2015, the Company wrote off exploration and evaluation assets in the amount of $385,537 as a result of the impairment of the Silver Bar property.

During the quarter ended September 30, 2014, the Company wrote-off a total of $849,629 on its exploration and evaluation assets as a result of the impairment of the Senator Stewart property in Idaho and the San Antonio and Tres Amantes properties in Chile.

During the quarter ended March 31, 2014, the Company did not write-off exploration and evaluation assets.

During the quarter ended September 30, 2013, the Company wrote-off a total of $1,217,231 on its exploration and evaluation assets as a result of the sale of the Rice Lake properties to San Gold Corporation.

As at March 31, 2015 there were 25,034,840 shares ($8,137,297) issued and outstanding.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2015, the Company had a working capital deficit of $664,143 and an accumulated deficit of $9,232,207. The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Company believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

During the six months ended March 31, 2015, the Company received loans in the amount of $24,332. These loans are from directors, bear no interest and have no specific terms of repayment.

During the six months ended March 31, 2014, the Company received loans in the amount of $29,800. These loans were from directors, did not bear interest and had no specific terms or repayment. Loans were repaid in full in January 2014. During the six months ended March 31, 2014, the Company repaid loans and interest totalling $31,874 pursuant to loan agreements executed in fiscal 2012, of which $10,625 was repaid to a director of the Company. The loans were unsecured, had no specific terms of repayment and were interest bearing at 10% annually.

RELATED PARTY TRANSACTIONS

During the six months ended March 31, 2015, the Company incurred the following charges with related parties that include officers, directors or companies with common directors of the Company as follows:

a) Paid exploration and evaluation expenditures in the amount of $Nil (September 30, 2014 - $9.403) to a director of the Company (Segerstrom Consulting).
b) Paid or accrued management and consulting fees of $120,000 (Oct 2013 – Mar 2014 - $120,000) to officers and directors of the Company (CEO and CFO).

Included in accounts payable and accrued liabilities is $395,760 (September 30, 2014 - $275,760) due to directors, officers and/or former officers and directors (CEO, CFO and D. Huston). The amounts are for management fees, consulting fees and shared general and administrative expenses. These amounts are non-interest bearing, with no fixed terms of repayment.

Included in loans payable is $24,332 (September 30, 2014 - $Nil) due to directors of the Company (CFO).

CHANGE IN ACCOUNTING POLICIES

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning January 1, 2013. The following new standards have been adopted:

IFRS 10 *Consolidated Financial Statements* replaces the guidance on control and consolidation in IAS 27, *Consolidated and Separate Financial Statements,* and SIC-12, *Consolidation – Special Purposes Entities.* IFRS 10 changes the definition of control under IFRS so that the same criteria are applied to all entities to determine control. The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 11 *Joint Arrangements* establishes the core principle that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement. The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 12 *Disclosure of Involvement with Other Entities* requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 13 *Fair Value Measurement* defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except for: share-based payment transactions within the scope of IFRS 2 Share-based Payment; leasing transactions within the scope of IAS 17 Leases; measurements that have some similarities to fair value but that are not fair value, such as net realizable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets. The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IAS 27 *Separate Financial Statements* has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IAS 28 *Investments in Associates and Joint Ventures* prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture). The Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Accounting Standards Effective for annual periods beginning on or after January 1, 2017

IFRS 15, *Revenue from Contracts with Customers:*

IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Accounting Standards Effective for annual periods beginning on or after January 1, 2018

New standard IFRS 9, Financial Instruments

IFRS 9 is a new standard on financial instruments that will replace IAS 39, Financial Instruments: Recognition and Measurement. This standard simplifies the current measurement model for financial instruments under IFRS and establishes two measurement categories for financial assets: amortized cost and fair value. The existing IAS 39 categories of loans and receivables, held to maturity investments, and available for sale financial assets will be eliminated.

Amendments to IFRS 7, Financial Instruments: Disclosure

Amendment to require additional disclosures on transition from IAS 39 to IFRS 9.

FINANCIAL INSTRUMENTS AND RISKS

Capital risk management

The objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders, benefits to other stakeholders and to have sufficient funds on hand to meet the Company's exploration plans to ensure the on-going growth of the business.

The Company considers the items in shareholders' equity as capital. 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. In order to maintain or adjust its capital structure, the Company may issue new shares through private placements, sell assets, incur debt, or return capital to shareholders. Management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur. As of March 31, 2015, the Company is not subject to externally imposed capital requirements.

The Company's financial instruments and risk exposures are summarized below.

Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment-grade short-term certificates of deposit issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company does not hold any financial liabilities with variable interest rates.

Currency risk

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies. The Company's functional currency is the Canadian dollar.

The Company operates internationally and is exposed to foreign exchange risk from the United States dollar and Chilean peso. Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies.

As at March 31, 2015 the Company is exposed to currency risk through the following financial assets and liabilities denoted in United States dollars:

	March 31, 2015	September 30, 2014
Cash	**-**	108
Bank overdraft	**5**	-
Accounts payable and accrued liabilities	**45,353**	47,133

The above balances were translated into Canadian dollars at the period-end rate of $1.2666 (September 30, 2014 - $1.1200) Canadian dollars to every US dollar.

As at March 31, 2015, the Company is exposed to currency risk through the following financial assets and liabilities denoted Chilean pesos:

	March 31, 2015	September 30, 2014
Cash	**218,406**	425,395
Amounts receivable	**428,264**	428,861
Accounts payable and accrued liabilities	**19,876,402**	20,504,251

The above balances were translated into Canadian dollars at the period-end rate of $0.002031 (September 30, 2014 - $0.001870) Canadian dollar to every Chilean peso.

Based on the above net exposures as at March 31, 2015, assuming that all other variables remain constant, a +/- 5% change in the Canadian dollar against the United States dollar and against the Chilean peso would result in an increase/decrease in net loss of approximately $4,700.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash which is held with high-credit quality financial institutions. Amounts receivable consists of VAT tax from the Chile government.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. As at March 31, 2015, the Company had cash of $786 (September 30, 2014 - $6,189) to settle current liabilities of $665,748 (September 30, 2014 - $484,030), which have contractual maturities of less than 30 days and are subject to normal trade terms. The Company is considered to be in the exploration stage. Thus it is dependent on obtaining regular financings in order to continue its exploration activities. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by interest rate risk, currency risk, credit risk, liquidity risk and price risk.

Fair value hierarchy

The three levels of the fair value hierarchy are:

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

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

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

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

RISKS AND UNCERTAINTIES

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

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

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

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

OUTSTANDING SHARES, STOCK OPTIONS, AND WARRANTS

The Company's authorized share capital consists of unlimited common shares without par value.

Common Shares:		
Issued and outstanding:	March 31, 2015	25,034,840
Issued and outstanding:	May 26, 2015	25,034,840
Warrants:		
Non Flow-through outstanding:	March 31, 2015	10,958,453
Non Flow-through outstanding:	May 26, 2015	10,958,453
Stock Options:		
Outstanding and exercisable	March 31, 2015	1,782,500
Outstanding and exercisable	May 26, 2015	1,782,500

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

On September 30, 2014 at a Special Meeting of the Shareholders of the Company, the Shareholders approved the consolidation of the Company's common shares at a ratio of five (5) pre consolidation shares for one (1) post consolidated share. Currently, a total of 25,034,840 shares are issued and outstanding. If the consolidation is put into effect, a total of 5,006,968 shares would be issued and outstanding, assuming there are no other changes in the issued capital of the Company. The consolidation has not been put into effect.

The Company terminated the proposed loan agreements of up to $300,000 and the proposed bonus shares equal to 20% of the principal amount of the loan at a deemed price of $0.05 per share or up to 1,200,000 shares.

Upon completion of the consolidation of the common shares in the capital of the Company, the Company will proceed with a non-brokered private placement of up to 8,000,000 units at $0.05 per unit for gross proceeds of up to $400,000. Each unit will consist of one post-consolidation share and one share purchase warrant. Each warrant will entitle the holder to purchase one additional post consolidation share at a price of $0.10 per warrant share for a period of five years from the closing of the offering.

The consolidation and the private placement are subject to corporate and regulatory approval.

CRITICAL ACCOUNTING ESTIMATES

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

CONTINGENCIES

On June 4, 2013, the Company was served with a Judgment in the District Court, Eastern District of Washington pursuant to amounts due to a vendor (the "Vendor") for contracted drilling services in the amount of $337,003.

During the year ended September 30, 2014, the Company settled the litigation and paid $342,500 (accrued in fiscal 2013).

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Changes in Internal Control over Financial Reporting (“ICFR”)

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

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

OTHER MD&A REQUIREMENTS

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

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Davidson and Company LLP Chartered Accountants of Vancouver, British Columbia. The Transfer Agent and Registrar for the Common Shares of the Corporation is Computershare Trust Company of Canada of Vancouver, British Columbia.

DIRECTORS AND OFFICERS

Murray Nye, *President, Chief Executive Officer, Chairman and Director*
Max Polinsky, *Chief Financial Officer and Director*
Megan Francis, *Corporate Secretary*
Mark Tommasi, *Director*
Larry Segerstrom, *Director*