

Management's Discussion & Analysis

DATE

This Management's Discussion & Analysis is dated August 19, 2008 and should be read in conjunction with the financial statements for the fiscal year ended June 30, 2008.

OVERVIEW

The Company was incorporated under the laws of Ontario on October 17, 2007 to consolidate leasehold ownership interests in, explore and develop, the Pickle Crow Gold Mine Property ("the Property") in northwestern Ontario. The Pickle Crow Property is the Company's sole property.

ACQUISITION

On May 13, 2008, further to a Property Acquisition Agreement with Premier Gold Mines Limited and Donald M. Ross In Trust (together, "the Vendors"), dated December 21, 2007, the Company acquired a 100% interest in a mining lease expiring July 31, 2067 which covers the Pickle Crow Property, consisting at the time of acquisition of 98 patented mineral claims totalling 1,582.9 hectares located in Connell and McCullagh Townships, Patricia Mining Division, near the town of Pickle Lake, Ontario, hosting the past producing Pickle Crow gold mine, together with all surface infrastructure including a mill, stockpiles, equipment and tailings.

Purchase price	\$
Cash	3,500,000
9,500,000 common shares of the Company at \$1.00 per common share	9,500,000
2,375,000 warrants entitling the holder to purchase one common share of the Company at a price of \$1.40 per common share until May 13, 2010	1,074,591
Reimbursement of costs incurred by the vendors for the care and maintenance of the Pickle Crow Property from November 2, 2007 to May 13, 2008	43,364
Acquisition costs	284,905
	14,402,860
Net assets acquired	
Reclamation deposit	108,841
Mineral resource property	14,294,019
	14,402,860

THE PICKLE CROW PROPERTY

The Pickle Crow Property hosts the past-producing Pickle Crow Gold Mine. The Pickle Crow Mine was a well-known asset when in production and remains well-known in the industry today. It was among the highest grade, longest-lived underground gold mines in North America, operating continuously from April 1935 through September 1966 and producing in total 45 tonnes (1,446,214 Troy oz.) of gold and 5.25 tonnes (168,757 Troy oz.) of silver from 2,785,488 tonnes (3,070,475 tons) of ore milled. Average recovered grade over the life of the mine was 16.14 g/t Au (0.47 oz/T Au) and 1.88 g/t Ag (0.06 oz/T Ag).

Faced with a declining real gold price (US\$35/oz.) and increasing costs from deepening operations, the mine recorded its first operational loss in 1964, and closed in 1966 with mineralization in place, productive veins open to depth, and largely untouched zones of iron formation-hosted gold within the

workings. The Pickle Crow Property lay dormant for many years, but saw extensive work by various operators through the course of the 1980s, 1990s and the first part of this decade. This historical work, which included several non-NI 43-101 compliant estimates of the volume of gold mineralization hosted by the Property, outlined substantial zones of auriferous material within the area of, or in close proximity to, the historic workings. These historical estimates can be separated into two groups, namely:

1. Estimates of quartz-carbonate vein material only, prepared by the engineering department of the Pickle Crow Mine prior to mine closure in 1966 (historically, production from the Pickle Crow Mine was almost entirely from high grade quartz-carbonate veins); and
2. Estimates of both quartz-carbonate vein and iron formation-hosted gold mineralization conducted by various groups between mine closure and the late 1980s. Iron formation-hosted gold was not historically mined at the Pickle Crow Mine, possibly because the mill was not set up to process it, and possibly because its average grade of about 7 grams/tonne Au (0.20 oz/T) was below the mid-1960s cut-off grade of 8.57 g/t Au (0.25 oz/T).

These historical estimates, which can be viewed in Section 5.4 of the NI 43-101 Technical Report dated January 25, 2008 and amended and restated April 21, 2008 (available from www.sedar.com), prepared by independent consultants MPH Consulting Limited of Toronto, range from a general inventory in place on mine closure (PCGM, September 1966) of 140,000 tonnes averaging 11.31 g/t Au (46,190 oz. Au) to a global calculation (Noramco, April 1988) totalling 5,731,050 tonnes at 7.26 g/t Au (1,213,919 oz. Au). These estimates are historical in nature and pre-date and are non-compliant with NI 43-101. The Company is not treating these historical estimates as current mineral resources or reserves and has not undertaken any independent investigation of the estimates nor independently analyzed the results of the previous exploration work in order to verify the historical resource figures. These historical estimates should therefore not be relied upon. The Company does, however, believe that these historical estimates provide a conceptual indication of the potential of the gold mineralized zones on the Pickle Crow Property and are relevant to ongoing exploration, and that it is reasonable to suggest they may be brought into compliance with the NI 43-101 standard, in whole or in part, through implementation of the exploration program now underway, which will include necessary verification drilling and additional studies.

At the Pickle Crow Property, the high grade veins from which the historic production was drawn are known from the historical drilling record to remain open to depth. Of these known veins within the now flooded Pickle Crow Mine workings proper, a greater number are present within the mine workings than were initially apparent on surface, indicating a robust mineralized system which may be intensifying with depth. Moreover, several substantial zones of gold in iron formation, not historically mined, remain in place both within the area of the historic workings, and to depth. The unexplored block of virgin ground to depths of 2,000 metres or more below the historic workings is therefore considered to be prospective from an exploration standpoint as the shallower areas mined in the past. There are, in addition, several areas on the Property which host near surface mineralization or remain prospective. Consequently, there is believed to be considerable potential to expand the Property's known zones of gold mineralization.

A major exploration and development program on the Pickle Crow Property was called for by MPH in the NI 43-101 Technical Report. This program commenced late in 2007 with a preparatory program of data compilation, digitization and 3D modeling which is serving as a guide for exploration drilling, now underway, and will in future be used to facilitate resource calculations to NI 43-101 standards. The current exploration program is expected to encompass up to 45,000 metres of diamond drilling per year of combined shallow, intermediate and deep exploration with three drill rigs. To oversee this effort, the Company has retained Fladgate Exploration Consulting Corporation of Thunder Bay, Ontario. The Company has also contracted Major Drilling Group International to carry out the required program of diamond drilling.

The principal objectives of the ongoing exploration program will be to define and expand known gold zones within or in close proximity to the mine's workings and to extend those zones, and make new discoveries, in the virgin ground beneath the old mine, where the system lies open.

On June 23, 2008, the Company announced that it had staked an additional 2,579 hectares of ground in the heart of the Pickle Lake mining camp, increasing the size of its land package by more than two and a half times from 1,583 hectares to a total of 4,162 hectares. The objectives of the staking were both strategic and practical: to protect core property areas, to secure prospective ground on which several gold prospects are located, to provide lateral room, if needed, for stepping back for deep drilling purposes, and to provide additional site options for new surface infrastructure that may be required in the future. The Company now commands a dominant position in the historic core areas of the camp. This includes holding 100% of what was historically the camp's most productive asset.

The Company is presently engaged with the Ontario Ministry of Northern Development and Mines in a process to complete a certified amendment to the Pickle Crow Production Closure Plan dated June and July 2002 respectively. This process, which is expected to include a review of the environmental condition of the Property by an independent environmental consulting firm and an assessment of the potential costs of remediating historical open pits, tailings areas, and mill and other infrastructure sites, as well as an inspection visit to the Property in September 2008, will determine what new funds, if any, in addition to those already held by the Ministry on the Company's behalf, may be required to cover rehabilitation of the mine site following a permanent closure of the Pickle Crow Property

FINANCINGS

On October 20, 2007, the Company issued 500,000 common shares to a director for proceeds of \$1.

On November 21, 2007, the Company issued 1,266,818 common shares to a director for proceeds of \$190,023 and 233,182 common shares in settlement of advances of \$34,977 from a director.

On January 18, 2008, the Company completed a private placement of 2,433,334 common shares for proceeds of \$912,500 and 66,666 common shares to settle an advance of \$25,000.

On May 13, 2008, the Company completed an initial public offering ("IPO") of 11,500,000 common shares at a price of \$1.00 per common share for gross proceeds of \$11,500,000. In connection with the Offering, the Company (i) paid to the Agents a commission of \$805,000 equal to 7% of the gross proceeds of the Offering and issued 200,000 common shares for a corporate finance fee of \$200,000; (ii) issued to the Agents 805,000 common share purchase warrants entitling the holders to purchase one common share at a price of \$1.00 per common share until May 13, 2010; and (iii) paid Agent costs of \$50,000.

RISKS AND UNCERTAINTIES

The Company is in the exploration stage and has not yet determined whether its mineral resource property contains reserves that are economically recoverable. The continued operations of the Company and the recoverability of amounts shown for mineral resource property is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource property, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource property.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These risks include, but are not limited to, the Company's access to additional capital to fund future activities; its reliance on the Pickle Crow Property as its sole asset; the loss of mineral property or the inability to obtain mining licences; the inherently risky nature of the Company's activities and its lack of experience in bringing an exploration property into production; foreign exchange fluctuations, price fluctuations for gold and silver; title risks; political and regulatory risks related to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters; statutory and regulatory compliance; the adequacy and availability of insurance coverage; competition for equipment and skilled personnel; liquidity risk; and the Company's dependence upon employees and consultants.

RESULTS OF OPERATIONS

PERIOD FROM INCORPORATION OCTOBER 17, 2007 TO JUNE 30, 2008

	\$
General and administrative expenses	
Professional fees	31,330
Salaries and benefits	14,660
Consulting fees	94,542
Directors' fees	20,917
Stock-based compensation	1,246,372
Premises	8,015
Office, general and administration	15,326
Public company costs	17,262
Investor relations	117,891
Travel	7,344
Amortization	3,748
	1,577,407
Loss before the following item	(1,577,407)
Interest income	22,476
Loss for the period	(1,554,931)

The Company commenced operations on October 17, 2007 and therefore, comparative figures are not provided.

THREE MONTHS ENDED JUNE 30, 2008

	\$
General and administrative expenses	
Professional fees	21,000
Salaries and benefits	14,660
Consulting fees	49,222
Directors' fees	20,917
Stock-based compensation	1,246,372
Premises	3,694
Office, general and administration	9,699
Public company costs	17,262
Investor relations	113,538
Travel	301
Amortization	2,811
	1,499,476
Loss before the following item	(1,499,476)
Interest income	18,089
Loss for the period	(1,481,387)

The Company commenced operations on October 17, 2007 and therefore, comparative figures are not provided.

SUMMARY OF QUARTERLY RESULTS

The year end of the Company is June 30. The summary of quarterly results has been prepared in accordance with Canadian generally accepted accounting principles.

	Q2 2008 \$ note ⁽¹⁾	Q3 2008 \$	Q4 2008 \$
Interest revenue	—	4,386	18,089
Loss			
- Total	10,413	63,132	1,481,385
- Per share	0.01	0.02	0.09

⁽¹⁾ The Company commenced operations on October 17, 2007 and the figures presented are for the period October 17, 2007 to December 31, 2007.

OVERALL PERFORMANCE

Net loss for the year ended June 30, 2008 was \$1,554,931. During fiscal 2008, the Company completed private placements which provided the Company with proceeds of \$1,137,500, as well as an initial public offering which provided the Company with gross proceeds of \$11,500,000. On Closing of the

IPO, in addition to paying Agents commission totalling \$805,000, the Company opted to pay 100% of the balance of the cash consideration owing to the Property Vendors amounting to \$3,450,000. The Company intends to use the remainder of the IPO funds to explore its Pickle Crow Property, and has invested these funds in an interest-bearing account at a Canadian chartered bank until they are required. The investment of these funds resulted in revenue of \$22,476 for the year ended June 30, 2008. The Company has no exposure to asset-backed commercial paper.

Of the \$1,577,407 in operating expenses incurred during 2008, \$1,250,120 related to non-cash charges for amortization and stock compensation. Of the remaining \$327,287 in operating expenses, \$146,789 related to professional, consulting and directors' fees, and \$180,498 related to general and administrative expenses.

Exploration expenses capitalized to the Company's mineral resource property totalled \$423,749.

LIQUIDITY AND CAPITAL RESOURCES

The Company is not in commercial production on its mineral resource property, and accordingly, the Company has no revenues. The Company finances its operations by raising capital in the equity markets.

As at June 30, 2008, working capital of \$6,918,706 included cash of \$6,984,456. On May 13, 2008, the Company completed an initial public offering of 11,500,000 common shares at a price of \$1.00 per common share for gross proceeds of \$11,500,000. From this amount, in addition to paying Agents commission totalling \$805,000, the Company opted to pay, on Closing, 100% of the balance of the cash consideration owing to the Property Vendors amounting to \$3,450,000.

Future cash requirements will depend primarily on the extent of future expenditures on the Company's exploration program. The NI 43-101 Technical Report dated January 25, 2008, and amended and restated April 21, 2008, called for a major, multi-phase exploration and development program on the Property totalling \$18,001,500, and combining near-term surface-based shallow, intermediate and deep drilling with medium-term dewatering of the workings and underground-based drilling, as well as evaluation of near-term production options. In light of knowledge gained since completion of the NI 43-101 through the ongoing program of historical data digitization and modeling, the Company has chosen to simplify the exploration program planned for the Property to emphasize surface-based drilling only in the first year of the program, and to substantially expand, beyond what was envisaged in the preliminary exploration budget laid out in the NI 43-101, the amount of first-year surface-based drilling to be carried out. The net effect of this reconfiguration of the exploration program will be to accelerate the drawdown of the Company's capital resources. At present, the Company projects that it will have sufficient funds to maintain the Pickle Crow Property, meet its overheads, and carry out the reconfigured exploration program to approximately the end of 2008.

TRANSACTIONS WITH RELATED PARTIES

On October 20, 2007, the Company issued 500,000 common shares to a director for proceeds of \$1.

On November 21, 2007, the Company issued 1,266,818 common shares to a director for proceeds of \$190,023 and 233,182 common shares in settlement of advances of \$34,977 from a director.

During the period from October 17, 2007 to June 30, 2008, consulting fees of \$59,167 were expensed for a director of the Company and consulting fees of \$20,000 were expensed for a company controlled by an officer of the Company. Mineral resource property included \$343,296 of exploration expenditures paid or payable to Fladgate Exploration Consulting ("Fladgate"). An officer of the Company is an officer of Fladgate. These transactions were in the normal course of business and are recorded at an exchange value established and agreed upon by the related parties.

Accounts payable and accrued liabilities include \$2,581 due to a director of the Company and \$210,460 due to Fladgate.

These transactions were in the normal course of business and are recorded at an exchange value established and agreed upon by the related parties.

PROPOSED TRANSACTIONS

There are currently no proposed transactions.

CRITICAL ACCOUNTING ESTIMATES

MINERAL RESOURCE PROPERTY

Costs relating to the acquisition, exploration and development of mineral resource property are deferred until the property is brought into commercial production, at which time they are amortized over the estimated useful life of the related property on a unit-of-production basis. The cost of mineral resource property includes the cash consideration and the fair value of shares issued on the date the property is acquired. The proceeds from options granted on the property are credited to the cost of the related property. When a property is determined to be non-commercial, non-productive or its value impaired, those costs in excess of estimated recoveries are charged to operations.

The recoverability of amounts shown for mineral resource property is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource property, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource property.

The amount shown for mineral resource property does not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for mineral resource property.

STOCK-BASED COMPENSATION

Stock-based compensation is determined using the Black-Scholes option pricing model, which requires the input of subjective assumptions, including the expected price volatility of the Company's common shares and the expected life of the options. Changes in these input assumptions can materially affect the estimate of fair value.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company adopted amendments to CICA Handbook Section 1400, "General Standards of Financial Statement Presentation", which includes requirements to assess and disclose an entity's ability to continue as a going concern; disclosure of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern; disclosure of when financial statements are not prepared on a going concern basis, together with the basis on which the financial statements are prepared and the reason why the entity is not regarded as a going concern.

The Company adopted CICA Handbook Section 1535, "Capital Disclosures", which requires disclosure of qualitative information about its objectives, policies and processes for managing capital; disclosure of quantitative data about what is regarded as capital; and disclosure of compliance with any externally imposed capital requirements and the consequences of such non-compliance.

The Company adopted CICA Handbook Section 3862, "Financial Instruments – Disclosures", and Section 3863, "Financial Instruments – Presentation", which requires disclosures to enable users to evaluate the significance of financial instruments on the entity's financial position and performance, and the nature and extent of risks arising from financial instruments and non-financial derivatives.

Beyond additional disclosure, the adoption of these new accounting standards did not have an effect on the Company's financial position or results of operations.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying value of cash, receivables and accounts payable and accrued liabilities approximates fair value due to the short-term nature of these financial instruments.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk, and commodity price risk.

CURRENCY RISK

As the majority of the Company's expenditures are in Canadian dollars, the Company limits its exposure to currency risk by maintaining its cash and cash equivalents in Canadian dollars.

CREDIT RISK

Credit risk is the risk of a loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company limits its exposure to credit risk by holding its cash in deposits with high credit quality Canadian financial institutions and holding no asset-backed commercial paper.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through the management of its capital structure.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk due to the short-term nature of its financial instruments.

COMMODITY PRICE RISK

The Company is exposed to commodity price risk with respect to gold and silver prices. A significant decline in gold and silver prices may affect the Company's ability to obtain capital for the exploration and development of its mineral resource property.

CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer have designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to them by others within the Company, particularly during the period in which the interim filings are being prepared. The Chief Executive Officer and Chief Financial Officer have also designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of the financial statements in accordance with Canadian generally accepted accounting principles.

The Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures and assessed the design of the Company's internal controls over financial reporting. As the Company has a limited number of personnel, management has concluded that a weakness exists in the design of internal controls over financial reporting caused by a lack of adequate segregation of duties. This weakness has the potential to result in material misstatements in the Company's financial statements and should also be considered a weakness in its disclosure controls and procedures. Management has concluded that taking into account the present stage of the Company's development and the best interests of its shareholders, the Company does not have sufficient size and scale to warrant the hiring of additional personnel to correct this weakness at this time. To help mitigate the impact of this weakness and to ensure quality financial reporting, there are supervisory controls exercised by management and audit committee oversight, and in the future, interim financial statements will be reviewed by the Company's auditors.

There has been no change in the Company's internal control over financial reporting that occurred during the Company's most recent interim period that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

DISCLOSURE OF OUTSTANDING SHARE DATA (AS AT AUGUST 19, 2008)

SHARES

Authorized:

Unlimited number of common shares.

Outstanding:

25,700,000 common shares.

WARRANTS

Outstanding:

805,000 warrants entitling the holder to purchase one common share at a price of \$1.00 per common share until May 13, 2010.

2,375,000 warrants entitling the holder to purchase one common share at a price of \$1.40 per common share until May 13, 2010.

STOCK OPTIONS

Authorized:

2,570,000 stock options.

Outstanding:

Exercise price	Options outstanding	Options exercisable	Expiry date
\$1.00	2,115,000	1,288,333	May 13, 2013
\$1.08	400,000	300,000	May 28, 2013

At August 19, 2008, there are 55,000 options available to be granted under the stock option plan.

FORWARD-LOOKING STATEMENTS

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “will”, “would”, “should”, “guidance”, “potential”, “continue”, “project”, “forecast”, “confident”, “prospects”, and similar expressions typically are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including but not limited to the Company’s access to additional capital to fund future activities, the loss of mineral property or the inability to obtain mining licences, the inherently risky nature of the Company’s activities and its lack of experience in bringing an exploration property into production, foreign exchange fluctuations, the political stability and economic uncertainty of those areas in which the Company carries on operations and the lack of infrastructure in those areas, title risks, the risks and uncertainties associated with joint ventures and the Company’s reliance on third parties, statutory and regulatory compliance, the adequacy and availability of insurance coverage, the Company’s dependence upon employees and consultants, and fluctuations in mineral prices. These risks, as well as others, could cause actual results and events to vary significantly. The Company expressly disclaims any intent or obligation to update these forward-looking statements, unless the Company specifically states otherwise.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.