

**Form 51-102F1**  
**Management's Discussion and Analysis**

**Dated March 29, 2010**

This management's discussion and analysis (MD&A) regarding Cooper Minerals Inc. (the "Company") is a review of the Company's financial and operating results and should be read in conjunction with the audited financial statements and the accompanying notes for the years ended November 30, 2008 and November 30, 2009. The results reported therein have been prepared in accordance with Canadian generally accepted principles ("GAAP") and are presented in Canadian dollars unless otherwise stated.

All monetary amounts in this MD&A and in the Company's consolidated financial statements are expressed in Canadian dollars, unless otherwise stated. The Company's financial statements include the results of the operations of the Company's wholly owned subsidiary Namura Finland Ltd. for the years ended November 30, 2008 and November 30, 2009.

This MD&A may contain forward-looking statements. Such statements are subject to known and unknown risks and uncertainties that may cause actual results in the future to differ materially from those anticipated in forward-looking statements.

**Description of Business and Overall Performance**

Cooper Minerals Inc. (the "Company") is a Canadian junior resource company engaged in the acquisition, exploration and development of properties with the potential for uranium and mineral commodities. The Company was incorporated in the Yukon Territories and continued its business in British Columbia. It, either directly or through joint venture partnerships, holds exploration interests in mineral properties located in Canada and Finland. More recently, the Company has broadened its exploration and investment activities outside Canada by acquiring a 10% equity interest in a mining company located in Mexico. All of the Company's activities to date have been of an exploratory nature. Mineral exploration business is risky and most exploration projects will not become mines.

The common shares of the Company are listed for trading on the TSX Venture Exchange under the trading symbol "CQ" and on the Frankfurt Stock Exchange under the symbol "JM6". The objective of the Company is to develop mineral properties to a stage where they can be operated profitably.

*Heron Lake Uranium Property*

By agreement dated September 16, 2005, the Company acquired a 100% interest in the Heron Lake Uranium Property entailing approximately 3,357 acres located 270 kilometres southwest of Yellowknife in the Northwest Territories. Upon commencement of commercial production, the optionor will be entitled to a net smelter royalty of 2% on all minerals. The Company can buy down to a 1% net smelter royalty at a cost of \$1,000,000. The purchase price of \$247,500 was paid by issuance of 1,550,000 shares of the Company and payment of \$15,000 cash. Included in the purchase price are 150,000 shares issued for finder's fees.

The property is located approximately 270 kilometres southeast of Yellowknife, Northwest Territories. It consists of two claim blocks, with a total area of approximately 1,356 hectares (3,350 acres). The property includes a shear-hosted radioactive zone 600 meters long and at least 200 meters deep. This zone ranges up to 15 meters wide. Work by Uranerz Exploration and Mining Ltd. between 1977 and 1982 produced grab samples grading up to 0.370% U<sub>3</sub>O<sub>8</sub> and minimal diamond drilling produced a best intersection of 0.211% U<sub>3</sub>O<sub>8</sub> over a 5 meter width.

During the year ended November 30, 2009, the Company abandoned the property and all related acquisition and deferred exploration costs in the amount of \$247,500 have been written off.

#### *Contact Lake Uranium Property*

By agreement dated October 4, 2005, the Company acquired a 100% interest in the Contact Lake Property entailing approximately 74,505 acres located 423 kilometres north of Yellowknife in the Northwest Territories. Upon commencement of commercial production, the optionor will be entitled to a net smelter royalty of 2% on all minerals. The Company can buy down to a 1% net smelter royalty at a cost of \$2,000,000. The purchase price of \$1,033,437 was paid by issuance of 2,208,594 shares of the Company and payment of \$150,000 cash. Included in the purchase price are 208,594 shares issued for finder's fees.

By agreement dated March 12, 2007, the Company acquired a 100% interest in the Contact Lake Property entailing 45 claims and covering approximately 98,800 acres located 423 kilometres north of Yellowknife in the Northwest Territories. Upon commencement of commercial production, the optionor will be entitled to a net smelter royalty of 2% on all minerals. The Company can buy down to a 1.5% net smelter royalty at a cost of \$2,000,000. The purchase price of \$1,897,294 was paid by issuance of 3,223,529 shares of the Company and payment of \$350,000 cash. Included in the purchase price are 223,529 shares issued for finder's fees.

By agreement dated November 12, 2007, the Company acquired a 100% interest in the Contact Lake Property entailing 131 claims and covering approximately 306,027 acres located 423 kilometres north of Yellowknife in the Northwest Territories. This property is adjacent to the two properties already held by the Company. Upon commencement of commercial production, the Vendor will be entitled to a net smelter royalty of 2.5% on all minerals. The Company can buy down to a 1.5% net smelter royalty at a cost of \$2,000,000. The purchase price included cash payment of \$900,000 and 4,000,000 common shares of the Company.

The Company has acquired the Contact Lake properties for their IOCG (iron-oxide, copper, gold and uranium) potential. Some of this land adjoins the Alberta Star (TSX-V Symbol: ASX) Contact Lake project and its newly acquired Port Radium-Crossfault Lake Property, which are being explored for iron oxide, copper, gold, silver and uranium targets. These polymetallic targets have the potential to host billions of tons of copper, gold, and uranium mineralization (Olympic Dam-type).

The Contact Lake claims are in the vicinity of two past producing silver and uranium mines, the Echo Bay Mine and the Port Radium Eldorado Mine. This area has been under-explored and has lacked advanced exploration geophysics. The Contact Lake Mineral Belt is approximately 15 kilometres long and is the northern extension of the same mineral belt that hosts Fortune Minerals NICO Gold-Cobalt-Bismuth deposit.

During the 2007 and 2008 field season, the Company completed a \$2 million exploration program on the property. The program included airborne surveys, surface grab samples and core drilling. Sample collection was designed to follow up on the previously reported widespread mineralization and geophysical targets in a historic mining camp. A suite of 50 samples representing the different types of alteration, mineralization, structures and host rocks were collected and submitted for assay. Four drill holes were completed in the vicinity of near surface underground workings to test the alteration system observed in association with the mined conjugate vein system. The surface samples and drill core were collected to test the possibility that much larger systems of alteration and polymetallic mineralization indicative of IOCG type deposits occur in close association to previously mined high-grade bonanza-type veins.

Details of the assays results have been released in the Company's news release dated November 21, 2007, December 3, 2007 and March 25, 2008. The reported drill core and surface sample results confirm that a much wider zone of alternation and high-grade polymetallic mineralization is present at the Terra Mine site than was previously known. The Company anticipated a phase 2 exploration program on the Contact Lake Property upon completion of the phase 1 program. However due to unfavourable market conditions and high field costs, the Company had delayed its 2009 program to future years.

During the year ended November 30, 2009, the Company decided that valuable financial resources would be better spent on the Company's more promising projects, therefore the claims comprising the Contact Lake Property (March 12, 2007) and Contact Lake Property (November 12, 2007) were allowed to lapse. The Company abandoned 176 claims covering an area of 404,828 acres and wrote off all associated acquisition and exploration costs of approximately \$5,900,000.

As at November 30, 2009, the Company had 50 claims covering a total of 74,505 acres in the Contact Lake area.

	November 30 2009	November 30 2008
	\$	\$
<b>Acquisition costs</b>	5,630,732	5,630,732
Write off	<u>(4,597,294)</u>	
	1,033,438	
<b>Exploration costs</b>		
Assaying, fees and general	329,735	320,042
Camp, labour and field equipments	244,658	244,658
Drilling	274,344	274,344
Geological and geophysical	1,012,752	1,012,752
Survey, evaluation, mapping	751,985	751,985
Write off	<u>(1,379,343)</u>	
	1,234,131	2,603,781
<b>Total Deferred Costs – Contact Lake Property</b>	<b>2,267,569</b>	<b>8,234,513</b>

#### *Paukkajanvaara Uranium Deposit, Eastern Finland*

By an option agreement dated February 14, 2006, the Company entered into a joint venture with Agricola Resources PLC ("Agricola") of United Kingdom to acquire an undivided 50% interest in the Paukkajanvaara uranium project (the "Property") located in the Joensuu magistrate, Eastern Finland. The project area is made up of ten claim reservations totalling 90 square kilometres. These claims include the only previously operated uranium mine in Finland, called Paukkajanvaara. Consideration is a commitment by the Company to spend \$500,000 in exploration expenditures on the property over two years and the Company's commitment to subscribe 1,650,000 ordinary shares of Agricola at a subscription price of £0.03 per share. Since the shares of Agricola were trading at £0.0194 at the time of purchase the excess amount of £0.0106 was allocated to the purchase price of the mineral property.

Under the Agreement, the Company is to also contribute in equal shares to the costs of converting the Property to full exploration licence in May 2006 (such costs being estimated to be €100,000 in aggregate).

Test mining of the Paukkajanvaara Uranium Deposit in 1960 and 1961 by the Finnish company Atomienergia Oy at Paukkajanvaara produced about 30 tonnes of yellowcake (U<sub>3</sub>O<sub>8</sub>) from 30,700 tonnes of ore assaying 0.12 per cent U<sub>3</sub>O<sub>8</sub>. The mineralization at Paukkajanvaara shows similarities to the well-known unconformity-type uranium deposit. Approximately 53 drill holes have been drilled in the immediate vicinity of the Paukkajanvaara uranium deposit.

Uraniferous boulders are found throughout the area but are especially prevalent down ice from the Paukkajanvaara uranium deposit. During a recent radon survey Agricola identified six radioactive boulders; these boulders contained abundant yellowish uranophane and pitchblende. Samples of these boulders were sent to Chemex in Vancouver for analysis. Results received from Chemex indicate that the uranium content of the boulders as follows, 0.170, 0.303, 0.471, 0.711, 0.745 and 1.170 per cent U<sub>3</sub>O<sub>8</sub>.

The Company had spent a total of \$84,382 exploration expenditures on the property. These costs were incurred in 2007 and chiefly related to the geological consulting fees, permits fees and legal fees. During the year ended November 30, 2009, the Company decided to abandon the property as its joint-venture partner, Agricolar was unable to obtain an exploration licence.

	November 30 2009	November 30 2008
	\$	\$
<b>Acquisition costs</b>	51,467	51,467
<b>Exploration costs</b>		
Application fees, legal and general	26,662	26,662
Geological and geophysical	25,000	25,000
Survey, evaluation, mapping	32,720	32,720
<b>Write off</b>	(135,849)	-
<b>Total Deferred Cost - Paukkajanvaara Property</b>	<b>-</b>	<b>135,849</b>

#### *Acquisition of Namura Finland Ltd*

In January 2007, the Company acquired a 100-per-cent of the issued and outstanding shares of Namura Finland Ltd. ("Namura"), a private company based in Finland. Consideration for the purchase was to make cash payment of \$335,000 and to issue 6,000,000 common shares to the vendors. Namura Finland Ltd. is now a wholly-owned subsidiary of the Company based in Finland.

Namura Finland Ltd. currently holds 33 claim reservations over 27 known uranium occurrences. These are all located in central and southern Finland. The Company intends to examine each of these uranium occurrences and to decide whether or not to apply for a full mineral exploration licence. All of these claim areas have been covered by airborne radiometric surveys carried out by the Geological Survey of Finland ("GTK"). Most of these surveys were carried out using a line spacing of 200 metres. This radiometric data is available from the Geological Survey and the Company has purchased the data sets for examination. Cooper's planned exploration program will be directed towards determining the extent and depth of the uranium mineralisation at Kouvertvaara.

During the past year, the Company's major activity on the property was to obtain exploration licenses through its Finland subsidiary. The Company found that this was a time consuming and expensive process which involved numerous parties such as environmental concern groups, land-holders, native people and various local regulatory authority. The Company will only provide an exploration budget on the property when the exploration licenses have been granted.

As at November 30, 2009, the Company had invested a total \$3,243,792 in Namura Finland Ltd. The major components of the expenditures incurred and deferred to-date are as follows:

	August 31 2009	November 30 2008
	\$	\$
<b>Acquisition costs</b>	2,455,600	2,455,600
<b>Exploration costs</b>		
Application fees, legal and general	99,452	96,563
Geological Consulting	688,740	637,125
<b>Total Exploration Costs</b>	788,192	733,688
<b>Total Deferred Costs - Namura Finland Ltd.</b>	<b>3,243,792</b>	<b>3,189,288</b>

#### *Mina Real Property, Mexico*

On November 20, 2008, the Company entered into a Joint Venture Agreement with Rochester Resources Ltd. ("Rochester") whereby the Company has an Option to acquire 10% equity interest in the Mina Real Mexico S.A. de C.V. and thereby acquire indirect interests in the Mina Real and Santa Fe gold and silver properties. In consideration, the Company is required to make payments of \$1,475,000 and subscribing for 3,500,000 common shares of Rochester at a deemed price of \$0.15 per share equalling \$525,000.

Upon the exercise of the Option all Net Profit received by Rochester from the Properties shall be divided on a 90% / 10% basis, between Rochester and the Company. The Company will also be subject to a "Gross Overriding Advance Royalty" of \$25,000 per month paid free and clear of any and all cost or expense incurred in connection with the operation of the Mina Real Property payable by Rochester to the Company. Furthermore, upon exercise of the Option, the Company shall be deemed to have granted Rochester a Back-In-Option, to re-acquire in whole and not in part the Equity Interest in Mina Real Mexico S.A. de C.V. The Back-In Option shall have a term of 3 years wherein:

- During year 1 the Back-In Option shall not be exercisable;
- During year 2 the Back-In Option shall be exercisable by a cash payment of \$2,075,000; and
- During year 3 the Back-In Option shall be exercisable by a cash payment of \$2,000,000.

The Company has been searching for a strategic partner and project that fulfilled its objectives of generating revenue streams and potential for significant mineral discovery. With the Joint Venture Agreement with Rochester Resources Ltd., the Company feels that it has secured an agreement that achieves this objective.

The Company had made the required payments and bought 3,500,000 common shares of Rochester. The common shares of Rochester are listed on the TSX Venture Exchange and are subject to a resale restriction for a period of four months expiring April 23 2009. The Company believes the investments in the Mexico properties will diversify the Company's operating and generate some cash flows.

## Other Investments

As part of a joint venture deal with Rochester, the Company purchased 2,750,000 private placement units of Rochester for \$525,000. Each unit consists of one common share and one-half common share purchase warrant entitling the holder to acquire one additional common share at an exercise price of \$0.30 per share for a period of eighteen months. On April 27, 2009, the Company acquired 250,000 common shares of Rochester for \$75,000 by exercising 500,000 of the aforementioned warrants. Altogether, the Company owns 6,500,000 common shares of Rochester which shares are traded on the TSX Venture Exchange.

## Selected Annual Information

The following financial data, which has been prepared in accordance with Canadian generally accepted accounting principles, is derived from the Company's audited financial statements for the year ended November 30, 2009, 2008 and 2007.

		As at and for the financial year ended November 30		
		2009	2008	2007
(a)	Net sales or total revenues	Nil	Nil	Nil
(b)	Net Income (loss)			
	In total	(\$6,356,950)	(\$238,542)	(\$1,342,461)
	On a per share basis	(\$0.14)	(\$0.01)	(\$0.04)
(c)	Other Comprehensive income(loss) (See changes in Accounting policies)	\$117,136	(\$53,566)	\$32,550
(d)	Total Assets	\$9,426,721	\$15,714,629	\$14,266,157
(e)	Total long term financial liabilities	Nil	Nil	Nil
(f)	Cash dividends declared per share	Nil	Nil	Nil

## Results of Operations

The Company had no producing properties, and consequently no sales or revenues.

The net loss for the year ended November 30, 2009 was \$6,356,950 or \$0.14 per share as compared to the net loss of \$238,542 or \$0.01 per share for the year ended November 30, 2008. The increase of loss was largely due to the write-off of abandoned properties of \$6,359,986.

Income for the year consisted of royalty income of \$250,000 and interest income of \$38,623. The Company had started to collect royalty income of \$25,000 per month since February 2009 from its Mexican joint venture partner. The Company's excess cash reserves are held in short term flexible GIC's and earned interest income that fluctuates from period to period depending on the Company's cash balance and interest rates. Lower interest income for the current year was because of lower average cash balance deposited in the bank.

Administrative and general expenses in the twelve months of fiscal 2009 were \$281,251 (2008 - \$363,119), a decrease of \$81,868. The reduction in the expenses was primarily due to a reduction of \$92,490 in consulting fees, \$16,849 in marketing and promotion and \$11,306 in transfer agent and exchanges fees. There was an increase of \$39,023 in professional fees because the legal, audit and accounting fees went up due to increased demands of public reporting responsibilities.

The deterioration in the market conditions started in 2008. The Company had reviewed its spending and taken measures to conserve cash where possible. Hence, operating expenses have been decreasing.

## Summary of Quarterly Results

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended	Nov 30	Aug 31	May 31	Feb 29	Nov 30	Aug 31	May 31	Feb 29
Year	2009	2009	2009	2009	2008	2008	2008	2008
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	(\$6,355,764)	\$23,120	\$18,256	\$(42,562)	\$45,254	\$(117,761)	\$(99,389)	\$(66,646)
Basic & Diluted Income(Loss) per share	(0.14)	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Significant variances in the Company's reported loss from quarter to quarter arise from: (i) the granting of stock options, which results in the recording of amounts for stock-based compensation expense that can be quite large in relation to other general and administrative expenses incurred in any given quarter; and (ii) decisions to write off deferred exploration costs when management concludes there has been an impairment in the carrying value of a mineral property or the property is abandoned.

The \$6,355,764 loss in the fourth quarter of 2009 was due to the write-offs of deferred property acquisition and exploration costs of \$6,359,986. There were no stock options granted in each quarter of 2008 and 2009, therefore no stock based compensation expenses were recorded in the respective quarters.

## Liquidity and Capital Resources

As at November 30, 2009 the Company had net working capital of \$2,362,243 compared to \$3,788,720 as at November 30, 2008 representing a decrease in working capital by \$1,426,477. The decrease was primarily due to cash used for the acquisition of the 10% equity interest in a Mexican company. The Company had net cash on hand of \$990,335. The Company believes that it has sufficient cash on hand to finance its expected level of operations and working capital requirements for the next twelve months.

The Company has no operations that generate cash flow. In the event that the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing. Although the Company has been successful in raising the above funds, there is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. The Company is dependent upon the equity markets to finance all of its activities and it is anticipated that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

The Company is not exposed to any significant liquidity risk at this time. Given the global financial and economic turmoil, it has been increasingly difficult for early stage exploration companies to raise required financing. The Company continues to monitor its overhead and look for additional avenues to conserve its working capital with the intent to continue to develop or acquire economic mineral deposit.

## Off-Balance Sheet Arrangement

The Company has no debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements.

### **Transaction with Related Parties**

During the year ended November 30, 2009, the Company entered into the following transactions with related parties:

- a) Paid or accrued \$60,000 (2008 - \$60,000) to a company owned by one of the directors for consulting services.
- b) Paid or accrued \$18,000 (2008 - \$15,000) to a company related to a director for rental fees.
- c) Paid or accrued \$30,000 (2008 - \$30,000) to a company related to a director for accounting services.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

### **Fourth Quarter and subsequent events**

During the fourth quarter, the management evaluated the Company's property position and concluded that valuable financial resources would be better spent on the Company's more promising projects. Consequently, the Company abandoned the Heron Lake Property, Paukkajanvaara Uranium Property and some of the Contact Lake properties. A total of \$6,359,986 deferred acquisition and exploration costs have been written-off. The Company reported a net loss of \$6,355,764 or 0.14 per share in the quarter.

There were no subsequent events to report.

### **Changes in Accounting Policies including Initial Adoption**

Effective December 1, 2008, the Company adopted new recommendations of the Canadian Institute of Chartered Accountants (CICA) under the CICA Handbook sections as follows:

#### *Impairment of long-lived assets*

In March 2009, the Emerging Issues Committee ("EIC") issued EIC-174 "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mineral properties. It also provides guidance for development and exploration stage entities that cannot estimate future cash flows from its properties in assessing whether impairment in such properties is required. EIC-174 also provides additional discussion on recognition for long lived assets. EIC-174 is to be applied retrospectively without restatement of prior periods in interim and annual financial statements for periods ending on or after the date of issuance of EIC-174. The Company adopted this recommendation in its fair value determinations effective for the year ended November 30, 2009. This new standard did not impact the Company's financial results in any period presented.

#### *Going-concern*

In June 2007, the CICA amended Handbook Section 1400, "General Standards of Financial Statement Presentation", which requires management to make an assessment of a company's ability to continue as a going concern. When financial statements are not prepared on a going-concern basis that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the company is not considered a going-concern. This section is effective for years beginning on or after January 1, 2008. The adoption of this amendment did not have an impact on the Company's financial statements.

## **Future Accounting Changes**

### *Business combinations, consolidated financial statements and non-controlling interests*

In January 2009, the CICA issued Handbook Sections 1582 “Business Combinations”, 1601 “Consolidated Financial Statements” and 1602 “Non-Controlling Interests” which replace CICA Handbook Sections 1581 “Business Combinations” and 1600 “Consolidated Financial Statements”. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company’s interim and annual consolidated financial statements for its fiscal year beginning on or after December 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

### *International Financial Reporting Standards (“IFRS”)*

In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada’s own generally accepted accounting principles. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company expects the transition to IFRS to impact accounting, financial reporting, and internal control over financial reporting, taxes, IT systems and processes as well as certain contractual arrangements. The Company is currently assessing the impact of the transition to IFRS. Training and hiring additional resources is underway to ensure the timely conversion to IFRS.

## **Financial Instruments**

The Company’s financial instruments consist of cash, short-term investments, receivables and accounts payable. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial statements. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

## **Outstanding Share Data as at March 29, 2010**

The Company is authorized to issue an unlimited number of common shares without par value. At March 30, 2010, there were 44,019,220 issued and outstanding common shares. As at the date of report, all warrants exercisable expired and there were no warrants outstanding. There were 3,030,000 stock options outstanding under the Company’s incentive stock option plan. These stock options are exercisable at price ranging from \$0.30 to \$0.80, with expiry dates ranging to November 13, 2012.

## **Financial Reporting Controls and Procedures**

The Company maintains internal accounting and administrative control systems designed to ensure the relevance and reliability of the financial information and the protection of assets. Management acknowledges its responsibility in managing the Company’s business according to the requirements of the relevant laws and accepted standards and financial principles, in addition to maintaining well-ordered and efficient standards of conduct in its activities.

## **Risk Factors relating to the Company's Business**

Mineral exploration and mining involve considerable financial and technical risk. Substantial expenditures are usually required to establish ore reserves, to evaluate metallurgical processes and to construct mining and processing facilities a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in profitable commercial mining operations. Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or land slides, floods, power outages or fuel shortages, labour disruptions, fire, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines. At this point, the Company has no experience in the development and operation of mines and in the construction of facilities required to bring mines into production, and it has, to date relied, and may continue to rely, upon consultants for expertise with respect to the construction and operation of a mining facility.

Future exploration and development activities on the Company's properties will require additional financing. There is no assurance that additional funding will be available to the Company when need or that, if available, the terms of such financing will be reasonable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests. The effects of these cannot be accurately predicted, but any of these issues could impede development or render it uneconomic.