TINTINA RESOURCES

Management Discussion and Analysis

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Introduction

This Management Discussion and Analysis ("MD&A") of Tintina Resources Inc. ("Tintina" or the "Company") has been prepared by management as of December 16, 2014 and should be read in conjunction with the accompanying consolidated financial statements and related notes thereto of the Company for the year ended September 30, 2014 ("FY2014"), which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar figures are expressed in Canadian dollars unless otherwise stated. These documents and additional information on the Company are available on the Company's website at www.tintinaresources.com or on SEDAR at www.sedar.com.

Forward-looking Statements

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking information"). In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations or the negative 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" or the negative of these terms or comparable terminology. By their very nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Forward-looking information includes, but is not limited to, statements regarding:

- analyses and other information based on expectations of future performance and planned work programs;
- possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action;
- timing, drilling plans, costs and potential success of future exploration activities on the Company's properties;
- the Updated PEA (as defined herein), including estimates of capital, sustaining and operating costs, anticipated internal rates of return, mine production, estimated recoveries, mine life, estimated payback period and net present values;
- permitting time lines and requirements, requirements for additional capital, and the potential effect of any notices of environmental conditions relating to mineral claims;
- planned exploration and development of properties and the results thereof;
- the sufficiency of the Company's current capital resources to carry out its planned exploration activities and operations through fiscal year 2015;
- completion of any new technical reports;
- evaluation of the potential impact of future accounting changes;
- estimates concerning the carrying value of properties; and
- planned use of proceeds from a non-brokered private placement completed on September 12, 2014.

Statements concerning mineral resource estimates may also constitute forward-looking information to the extent that such statements involve estimates of the mineralization that may be encountered if a property is developed. Any forward-looking information is stated as of the date of this document or as of the date of the effective date of information described in this MD&A, as applicable, and the Company does not intend, and does not assume any obligation, to update such forward-looking information to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events unless required to do so by law or regulation.

Forward-looking Statements (continued)

With respect to forward-looking information contained herein, the Company has applied several material factors or assumptions that the Company believes are reasonable. Such material factors and assumptions include, but are not limited to, in addition to other assumptions set out in the Updated PEA, that any additional financing needed will be available on reasonable terms; that the exchange rates for the U.S. and Canadian currencies will be consistent with the Company's expectations; that the current exploration and other objectives concerning the Black Butte Copper project can be achieved and that the Company's other corporate activities will proceed as expected; that the assumptions underlying mineral resource estimates are valid and that no unforeseen accident, fire, ground instability, flooding, labor disruption, equipment failure, metallurgical, environmental or other events that could delay or increase the cost of development will occur; that capital, sustaining and operating costs will be as estimated; that the proposed mine plan and recoveries will be achieved; that the current price and demand for copper and other metals will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner and that all necessary governmental approvals for the planned exploration and development of the Black Butte Copper project, including final approval of the Company’s application for a mine operating permit, will be obtained in a timely manner and on acceptable terms; and the continuity of economic and political conditions and operations of the Company.

The forward-looking information contained herein is subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ materially from those expressed or implied by such forward-looking information. In addition to those discussed in the Company's public disclosure record, such risks and other factors include, among others, those related to:

- fluctuations in capital markets and share prices;
- the Company’s ability to obtain necessary financing to fund the completion of further exploration programs or the development of its mineral properties and the expected use of proceeds;
- the Company's dependence on a limited number of mineral projects;
- the Company's dependence on key personnel;
- the Company's operations and contractual obligations;
- results of exploration activities not being consistent with management's expectations;
- changes in estimated mineral resources, grade or recovery rates;
- future prices of metals;
- availability of third party contractors, supplies and equipment;
- failure of equipment to operate as anticipated;
- accidents, effects of weather and other natural phenomena and other risks associated with the mineral exploration industry;
- interference with the Company's exploration or development activities by environmental activists or other special interest groups;
- the Company’s principal property being located in the USA, including political, economic and regulatory uncertainty;
- environmental risks, including environmental matters under, or changes to, U.S. federal and Montana rules and regulations;
- impact of environmental remediation requirements;
- the Company’s mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title;
- community relations;

Forward-looking Statements (continued)

- the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits;
- delays in obtaining governmental approvals, licenses, or permits, including final approval of the Company's application for a mine operating permit for the Black Butte Copper project;
- the Company's lack of operating revenues;
- governmental regulations and the ability to obtain necessary licenses and permits;
- currency fluctuations (particularly the Canadian dollar and United States dollar); and
- estimates used in the Company's financial statements proving to be incorrect.

This is not an exhaustive list of the factors that may affect the Company's forward-looking information. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in the forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on such forward-looking information.

TABLE OF CONTENTS

1. Executive Summary

Tintina is a Vancouver based resource company focused on the exploration, development and mining of its 100% owned flagship property, the Black Butte Copper project in central Montana, USA. Black Butte Copper is a high grade copper deposit in development in North America, with Measured and Indicated ("M&I") resources of 1.176 billion pounds of copper (Cu) at a grade of 3.40%, and Inferred Resources of 140 million pounds of copper (Cu) at a grade of 2.80%.

On September 12, 2014, the Company completed a non-brokered private placement with a new strategic investor, Sandfire Resources NL ("Sandfire"). Sandfire purchased 80 million units of the Company at a price of $0.20 per unit for gross proceeds of $16 million. The closing of the private placement gives Sandfire an initial 36% stake in the Company (which would increase to 53% if Sandfire exercises all of the warrants issued to it before shares are issued to any other third parties). The funds raised will enable the Company to continue work on a feasibility study and a mine operating permit application for the Black Butte Copper project.

In addition, Mr. Bruce Hooper, Sandfire's Chief Business Development Officer, was appointed President and Chief Executive Officer and a director of Tintina, in place of Mr. Gerald Booth, Tintina's Interim CEO and a director, who was planning to retire. Directors Mr. Ken Collison and Mr. Steven Khan resigned concurrently with the closing of the transaction.

On October 10, 2014, the Company appointed Mr. Paul Hallam as a director of Tintina, who is the second director nominee from Sandfire. Mr. Hallam is a highly experienced resource industry executive with more than 35 years of experience working for a number of blue chip Australian and International mining companies.

Black Butte Copper Highlights

On August 7, 2014, the Company announced that the Montana Department of Environmental Quality ("MT DEQ") has granted Tintina permission to conduct aquifer pumping tests in three new wells recently drilled under existing exploration permits.

Subsequent to the year ended September 30, 2014, the pump test program was scheduled to be completed by mid-October. The hydrologic data collected is currently being analyzed in detail and used for a comprehensive analysis of the water balance and for diligent groundwater modeling in the area of the Johnny Lee deposit.

On November 5, 2014, the Company announced the launching of a new round of drilling at the Black Butte Copper project focused on further testing the Upper and Lower Copper Zones of the Johnny Lee Deposit. The current plan is to drill approximately 8,700 feet (2,652 meters) of diamond drill core in 9 holes. This drilling will provide representative samples from selected areas of each zone for metallurgical test work necessary to optimize copper recoveries. The holes will also provide critical geological, resource and geotechnical data for mine planning and may further the Company's understanding of the deposits.

2. Fourth Quarter and Fiscal Year 2014 Highlights

During the three months ended September 30, 2014, Tintina continued to advance its Black Butte Copper project by conducting a pump test program at the Johnny Lee Deposit area.

The Company incurred $773,084 of exploration and evaluation costs during the three months ended September 30, 2014, representing an increase of $163,318 from $609,766 during the three months ended September 30, 2013. During the year ended September 30, 2014 (“FY2014”), the Company incurred $3,230,811 of exploration and evaluation costs, representing a decrease of $2,291,286 from $5,522,097 during the year ended September 30, 2013 (“FY2013”).

Black Butte Copper Summary

Black Butte Copper exploration and evaluation costs decreased $2,153,157 from $5,380,961 during FY2013 to $3,227,804 during FY2014. The Company completed an Updated PEA during FY2013 and continues to advance the project.

In June 2014, the Company acquired additional property from Wyoming Gold Mining Company Inc. (“Wyoming”) that consists of 40 unpatented lode mining claims located in Meagher County, Montana, USA. For this transaction, the Company paid Wyoming USD $40,000 in cash and issued 352,930 common shares, having an aggregate value of USD $60,000, for total consideration of USD $100,000.

In August 2014, the Company obtained permission from the MT DEQ to conduct aquifer pumping tests in three new wells drilled under existing exploration permits. On October 20, 2014, the pumping tests were completed. Results from the pumping tests are being analyzed in detail and used for a comprehensive analysis of the water balance and for diligent groundwater modeling in the area of the Johnny Lee deposit.

Qualified Persons

Jerry Zieg, Vice President of Exploration for the Company is a Qualified Person for the purposes of National Instrument 43-101 (“NI 43-101”) and has reviewed and approved the information of a scientific or technical nature contained in this MD&A. The exploration activities at Black Butte Copper during the year ended September 30, 2014 were carried out under the supervision of Jerry Zieg, P.Geo and Vince Scartozzi, P.Geo. Mr. Zieg and Mr. Scartozzi are "qualified persons" within the meaning of such term in NI 43-101.

The Updated PEA and resource estimates have been prepared in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument (NI) 43-101 of the Canadian Securities Administrators. All technical information relating to the Updated PEA have been reviewed and approved by Srikant Annavarapu, P.Eng. (AMEC), Art Winckers, P.Eng. (Arthur H. Winckers and Associates Inc.), Mike Lechner, P.Geo. (Resource Modeling Inc.), Wayne Stoyko, P.Eng. (Tetra Tech), Jianhui Huang, P.Eng. (Tetra Tech), and Ken Brouwer, P. Eng. (Knight Piesold), the Qualified Persons responsible for preparation of the Updated PEA, each of whom are independent of Tintina. For readers to fully understand the technical information in this MD&A, it should be read in conjunction with the Updated PEA in its entirety. The Updated PEA is available for viewing under the Company’s profile on SEDAR at www.sedar.com. Assays for this program have been completed by ALS Chemex including duplicates, standards, and blanks for QA/QC purposes.

2. Fourth Quarter and Fiscal Year 2014 Highlights (continued)

The following table presents the total expenditures incurred on each property to date:

	Black Butte Copper	Other	Total
Resource Properties, net of currency translation	1,009,411	-	1,009,411
Accumulated Exploration and Project Support Costs project to date	17,137,269	38,288	17,175,557
Accumulated Engineering & Environment Costs project to date	3,201,953	-	3,201,953
Total expenditure at September 30, 2013	**$ 21,348,633**	**$ 38,288**	**$ 21,386,921**
Resource Properties	540,244	-	540,244
Resource Properties - currency translation	114,586	-	114,586
Exploration and Project Support Costs in the period	1,549,540	3,007	1,552,547
Engineering & Environment Costs in the period	1,678,264	-	1,678,264
Total expenditure for the year ended September 30, 2014	**$ 3,882,634**	**$ 3,007**	**$ 3,885,641**
Resource Properties, net of currency translation	1,664,241	-	1,664,241
Accumulated Exploration and Project Support Costs project to date	18,686,809	41,295	18,728,104
Accumulated Engineering & Environment Costs project to date	4,880,217	-	4,880,217
Total expenditure at September 30, 2014	**$ 25,231,267**	**$ 41,295**	**$ 25,272,562**

3. Selected Annual Information

	Years ended September 30,		
	2014	2013	2012
Total revenues	$Nil	$Nil	$Nil
Loss for the year	$(5,028,338)	$(9,788,468)	$(15,085,247)
Loss per share	$(0.04)	$(0.07)	$(0.11)
Total assets	$19,431,521	$8,133,986	$17,091,003
Total long term liabilities	$Nil	$Nil	$Nil

4. Results of Operations

Black Butte Copper

The Company incurred $3,227,804 of expenditures on the Black Butte Copper property during FY2014 primarily due to permitting, engineering and environmental study program.

4. Results of Operations (continued)

During FY2014, the Company completed a purchase of additional property from Wyoming that consists of 40 unpatented lode mining claims located in Meagher County, Montana, USA.

i) Black Butte Copper Exploration

The property contains sediment-hosted zones of massive sulfide mineralization originally explored by Cominco American Inc. (“Cominco”) and BHP/Utah International (“BHP”) during the 1980’s and early 1990’s. The drilling undertaken by Cominco American Inc. and BHP had encountered significant zones of stratabound copper sulfide with cobalt in multiple bedded pyrite zones in the lower part of the Precambrian Belt Supergroup; this same stratigraphic unit hosts the Sullivan zinc-lead-silver deposit. The Company began core drilling on the property on September 15, 2010. Since then, the Company has drilled a total of 57,500 meters on the property.

ii) Black Butte Copper Preliminary Economic Assessment

On July 17, 2012, the Company issued a news release announcing the positive results of a PEA on the Johnny Lee deposit at the Black Butte copper-cobalt-silver property and filed a supporting technical report dated August 30, 2012 on SEDAR. As the resource in the Johnny Lee deposit had improved significantly as a result of further drilling, the Updated PEA was prepared and SEDAR filed on July 23, 2013, and supersedes the previously filed PEA dated August 30, 2012 which was based only on the Indicated and Inferred resources estimate on the Johnny Lee deposit.

The Updated PEA incorporates the results of recent diamond drilling on the Johnny Lee Deposit and a revised sequence of mining based on the updated resource estimate disclosed in the Company’s press release dated November 13, 2012. The Updated PEA does not include the Lowry deposit. The Company decided to focus on the Johnny Lee deposit and delay the Lowry deposit until a later date.

Table 1: Undiluted Measured and Indicated Resources at Black Butte Copper Project, MT, USA

Undiluted Measured Mineral Resources[1] - Johnny Lee Deposit		
	Tonnes (in millions)	Estimated Cu Grade (%)
Johnny Lee Upper Zone	2.66	2.99
Undiluted Indicated Mineral Resources[1] - Johnny Lee Deposit		
Johnny Lee Upper Zone	6.52	2.77
Johnny Lee Lower Zone	2.39	6.40
TOTAL[1]	**11.57**	**3.57**
Undiluted Inferred Mineral Resources[1] - Johnny Lee Deposit		
Johnny Lee Upper Zone	1.25	2.52
Johnny Lee Lower Zone	0.21	5.33

[1] Mineral Resource estimates for the Johnny Lee Upper and Lower zones were prepared by Mike Lechner P. Geo., President of Resource Modeling Inc., who is an independent Qualified Person as defined by NI 43-101. The effective date of the resource estimates is November 13, 2012. The drill hole database that was used to estimate Mineral Resources consists of 106 drill holes totaling 23,705 meters for the Johnny Lee Upper Zone and 47 drill holes totaling 21,783 meters for the Johnny Lee Lower Zone.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral Resource estimates were completed for each zone by constructing three dimensional computer block models with block sizes of 5 m x 5 m in the X and Y dimensions and 1 m in the Z dimension. Three-dimensional wireframes were constructed representing the Johnny Lee Upper and Lower copper zones using logged massive sulfide lithologies and a nominal copper cutoff grade of 1%. One-meter-long drill hole composites were generated from the assay data after capping high-grade outliners and were subsequently used to estimate copper, cobalt, gold, and silver grades using a dynamic anisotropy search strategy and an inverse distance weighting estimator. The block grades were validated visually and by comparing the inverse distance grades with a nearest neighbor model.

4. *Results of Operations (continued)*

ii) Black Butte Copper Preliminary Economic Assessment (continued)

Table 2: Johnny Lee Deposit Updated Preliminary Economic Assessment Overview - Johnny Lee Mine Metrics[1]

Mill Feed[2]	11.84 M tonnes[1]
Average Copper Grade	3.11%[1]
Total Dry Concentrate Production	1.38 M tonnes
Average Annual Payable Copper Production	62.06 M pounds
Life of Mine Payable Copper Production	682.62 M pounds
Mine Operating Cost	$45.83/tonne
Mill Operating Cost	$15.83/tonne
G&A, Surface Services, and Tailings Management	$4.82/tonne
Total Site Operating Cost	$66.48/tonne
Direct Capital Costs[3]	$152.2 M
Indirect and Owners[3]	$32.2 M
Contingency[3]	$33.3 M
Total Pre Production Capital Costs[3,4]	$217.8 M
Total Sustaining Capital[4]	$114.7 M

[1] Figures reflect assumed mine dilution and mine recovery factors.
[2] Mill feed includes Measured, Indicated, and Inferred mined material.
[3] Total Pre-Production Capital Costs may not add due to rounding.
[4] Estimate considered accurate to +40% and -40%.

The table below highlights the pre-tax IRR and NPV at an 8% discount for a selection of copper prices.

Table 3: Economic Sensitivity Summary[1]

Copper Price ($)	Pre-Tax IRR (%)	Pre-Tax NPV @ 8% (in millions $)	Pre-Tax Payback (Years)	Post-Tax IRR(%)	Post-Tax NPV @ 8% (in millions $)	Post-Tax Payback (Years)
2.50	11.3	28	6.2	5.5	-21	8.3
3.05	30.5	218	3.6	20.2	110	4.7
3.50	44.7	373	2.8	30.4	210	3.6

[1] Post-tax economic values were calculated by applying the following taxes based on enacted tax law and regulations as of June 10, 2013: United States Federal corporate income taxes, Montana State income taxes, Montana metalliferous mines license taxes, and Montana mines gross proceeds taxes. The calculation of post-tax economic values did not account for loss carry forwards and unutilized tax pools which would be expected to reduce actual taxes payable.

iii) Alaska Properties

During FY2013, both Baird and Kugruk properties were dropped as the Company focuses its efforts on the Black Butte Copper project.

4. *Results of Operations (continued)*

Corporate Expenditure Summary

- The Company incurred a comprehensive loss of $5,328,126 or $0.04 per share during FY2014 as compared to a comprehensive loss of $9,691,259 or $0.07 per share during FY2013, representing a decrease in comprehensive loss of $4,363,133.

During the year ended September 30, 2014:

- Advertising, promotion and investor relations expenses decreased $212,018 from $347,413 during FY2013 to $135,395 during FY2014 primarily due to less conferences attended in FY2014.
- Director and management fees increased $130,804 from $521,280 during FY2013 to $652,084 during FY2014 primarily due to Interim CEO and directors changes that occurred in April 2013 and September 2014. During FY2014, the Company paid $266,256 separation payment to the former Interim CEO.
- Salary and wages decreased $83,193 from $454,277 during FY2013 to $371,084 during FY2014 primarily due to employee decreases at the head office.
- Exploration and evaluation costs decreased $2,291,286 from $5,522,097 during FY2013 to $3,230,811 during FY2014 primarily due to reduced exploration drilling programs on the Black Butte Copper project.
- Office, administration and miscellaneous costs decreased $101,321 from $497,205 during FY2013 to $395,884 during FY2014 primarily due to lower insurance costs and employee reductions at the head office.
- Professional fees decreased $41,683 from $285,945 during FY2013 to $244,262 during FY2014 primarily due to less legal fees incurred with respect to corporate matters.
- Share-based payments decreased $556,857 from $1,184,451 during FY2013 to $627,594 during FY2014 as there were less new options grants.
- Currency translation adjustment of a gain of $196,162 represents the revaluation of all United States dollar (“USD”) denominated net assets and intercompany USD monetary items for FY2014. The adjustment increased $98,953 from a gain of $97,209 during FY2013 as USD further strengthened against Canadian dollar in FY2014.

The Company’s cash and cash equivalents at September 30, 2014 totalled $17,639,546 compared to $6,904,205 at September 30, 2013.

The Company had an accumulated deficit as at September 30, 2014 of $61,753,518 compared to $56,725,180 as at September 30, 2013 which has been funded primarily by the issuance of equity. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

5. Summary of Quarterly Results

The following is a summary of certain financial information concerning the Company for each of the last eight reported quarters:

Quarter Ended	Total Revenues	Loss for the Period	Basic and Diluted Loss Per share
December 31, 2012	$ Nil	$ (3,944,114)	$ (0.03)
March 31, 2013	$ Nil	$ (3,293,151)	$ (0.02)
June 30, 2013	$ Nil	$ (1,472,961)	$ (0.01)
September 30, 2013	$ Nil	$ (1,078,242)	$ (0.01)
December 31, 2013	$ Nil	$ (1,425,310)	$ (0.01)
March 31, 2014	$ Nil	$ (1,249,443)	$ (0.01)
June 30, 2014	$ Nil	$ (1,077,080)	$ (0.01)
September 30, 2014	$ Nil	$ (1,276,505)	$ (0.01)

During the quarter ended December 31, 2012, the Company further advanced the Black Butte Copper project by continuing the drilling program. With respect to the Baird project, Tintina evaluated the data collected from the drill program completed during the previous quarter.

During the quarter ended March 31, 2013, the Company wrote off the Baird and Kugruk properties.

During the quarter ended June 30, 2013, the Company sold its interest in the mineral claims of the Kugruk property to an unrelated third party.

During the quarter ended September 30, 2013, the Company completed an Updated PEA for the Black Butte Copper project, which was dated July 12, 2013 and was filed on SEDAR on July 23, 2013.

During the quarter ended December 31, 2013, the Company continued to advance the Black Butte Copper property through permitting, engineering and environmental studies.

During the quarter ended March 31, 2014, the Company obtained approval from the MT DEQ for the construction of a 5,000 foot long underground exploration decline which would access the high-grade Johnny Lee copper deposit. However, Earthworks and Montana Environmental Information Center ("MEIC") filed a complaint challenging the decision of the MT DEQ to approve construction of the exploration decline.

During the quarter ended June 30, 2014, the Company formally withdrew its request to construct an exploration decline, and decided to submit an application for a mine operating permit to the MT DEQ. Earthworks and the MEIC also subsequently filed a voluntary motion dismissing their complaint. Further, the Company acquired additional property consisting of 40 unpatented lode mining claims at the Black Butte Copper project.

During the quarter ended September 30, 2014, the Company conducted pumping tests that were used to provide baseline water quality data required by the state of Montana for environmental permitting.

6. Liquidity and Capital Resources

As at September 30, 2014, the Company reported working capital of $17,338,019. Net increase in cash and cash equivalents for the year ended September 30, 2014 was $10,653,826, leaving cash on hand in the amount of $17,639,546.

Current assets excluding cash at September 30, 2014 consist of amounts receivable of $19,405 and prepaid expenses and other assets of $83,780.

Current liabilities as at September 30, 2014 consist of accounts payable and accrued liabilities of $404,712.

The Company expects its current capital resources will be sufficient to carry out its planned exploration activities and operations through fiscal year 2015.

7. Off-Balance Sheet Arrangements and Commitments

At the date of this MD&A, the Company had no off-balance sheet obligations. Commitments to incur exploration and evaluation costs are detailed in Note 7 of the Consolidated Financial Statements for the year ended September 30, 2014.

8. Transactions with Related Parties

As at September 30, 2014, the Company did not have any related party transactions other than remuneration of key management personnel as AsiaBaseMetals Inc. and SolidusGold Inc. (formerly Mantra Capital Inc.) ceased to be related parties.

Key management personnel compensation:

The remuneration of directors and other members of key management is as follows:

		2014		**2013**
Short-term benefits	$	1,210,593	$	1,112,539
Share-based payments		630,945		759,504
Total remuneration	$	1,841,538	$	1,872,043

During the year ended September 30, 2014, the Company paid $266,256 separation payment to the former CEO of the Company.

9. New and Amended Accounting Standards

The Company has adopted the following changes to the IFRS and IFRIC, effective October 1, 2013.

IAS 1 – Financial Statement Presentation - Presentation of Items of Other Comprehensive Income (“OCI”)

The amendments of IAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified or be ‘recycled’ (e.g. foreign currency translation) to net loss at a future point in time would be presented separately from items that will never be reclassified (e.g. fair value through OCI items under IFRS 9). The amendment affects presentation only and has been incorporated into the Company’s consolidated financial statements.

9. New and Amended Accounting Standards (continued)

IFRS 7 – Financial Instruments: Disclosures

IFRS 7 requires entities to provide additional information about offsetting of financial assets and financial liabilities that will enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. The adoption of this IFRS did not impact the Company's financial statements.

IFRS 10 – Consolidated Financial Statements

IFRS 10 provides definition of control under IFRS such that the same criteria applied to all entities. The revised definition of control focuses on the need to have power over the investee, exposure to variable returns from its involvement with the investee and the ability to use its power over the investee to affect its returns. The adoption of IFRS 10 did not result in any change in the consolidation status of any of the Company's subsidiaries or investee. Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture were issued in September 2014 (see Note 5 of the Company's Consolidated Financial Statements for the year ended September 30, 2014).

IFRS 11 – Joint Arrangements

The amendments of IFRS 11 reduce the types of joint arrangements to either joint ventures or joint operations. IFRS 11 requires the use of equity accounting for interests in joint ventures, eliminating the existing choice of proportionate consolidation for jointly controlled entities. Joint operations are arrangements where the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. With no joint arrangements, the adoption of IFRS 11 did not have an impact on the consolidated financial statements. An amendment to IFRS 11 was issued in May 2014 regarding the accounting for acquisitions of an interest in a joint operation (see Note 5 of the Company's Consolidated Financial Statements for the year ended September 30, 2014).

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. IFRS 12 sets out a comprehensive disclosure standard to address the requirements for subsidiaries, joint arrangements, associates including the reporting entity's involvement with other entities. It also includes the requirements for unconsolidated structures entities. The Company adopted IFRS 12 and added additional disclosures.

IFRS 13 – Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements to improve consistency and to reduce complexity by providing a precise definition of fair value and disclosure requirements. The full disclosure requirement of IFRS 13 is incorporated in Note 15 of the Company's Consolidated Financial Statements for the year ended September 30, 2014.

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. The adoption of IFRIC 20 did not have an impact on the interim condensed consolidated financial statements as the Company is not yet in production phase.

10. Accounting Standards Issued but Not Yet Effective

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after October 1, 2014:

IAS 32 – *Financial Instruments: Presentation*

In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 36 – *Impairment of Assets*

In May 2013, the IASB, as a consequential amendment to IFRS 13 *Fair Value Measurement*, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal.

IAS 39 – *Financial Instruments: Recognition and Measurement*

In June 2013, the IASB issued a narrow scope amendment to IAS 39. Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided that certain criteria are met.

IFRIC 21 – *Levies*

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain.

New accounting standards effective for annual periods on or after October 1, 2016:

IFRS 10 – *Consolidated Financial Statements*

In September 2014, amendments to IFRS 10 were issued to provide guidance on recognising gains and losses from the loss in control of a subsidiary in the parent's profit or loss.

IFRS 11 – *Joint Arrangements*

In May 2014, an amendment to IFRS 11 was issued addressing guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendment now specifies the appropriate accounting treatment for such acquisitions and requires applying the principles in IFRS 3 – *Business Combinations,* when acquiring an interest in a joint operation that constitutes a business.

10. Accounting Standards Issued but Not Yet Effective (continued)

New accounting standards effective for annual periods on or after October 1, 2017:

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, IFRS 15 which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estates, IFRIC 18 – Transfers of Assets from Customers and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a single five –step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

New accounting standards effective for annual periods on or after October 1, 2018:

IFRS 9 – *Financial Instruments*

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedging requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

11. Financial Instruments and Other Instruments

a) Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy has three levels to classify the inputs to valuation techniques used to measure fair value.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

As at September 30, 2014, the carrying value of cash and cash equivalents, amounts receivable, due from related parties and accounts payable and accrued liabilities approximates their fair value due to their short terms to maturity. The Company’s financial assets and liabilities are classified as Level 1.

11. Financial Instruments and Other Instruments (continued)

b) Financial Risks

(i) Liquidity Risk

The Company manages liquidity risk by maintaining an adequate cash balance. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

(ii) Interest Rate Risk

The Company's cash and cash equivalents are subject to interest rate price risk. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase. The Company does not engage in any hedging activity. The Company earned $31,379 in interest income during the year ended September 30, 2014.

(iii) Credit Risk

The Company maintains substantially all of its cash with major financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits.

(iv) Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities may be subject to risks associated with fluctuations in the market price of commodities.

(v) Foreign Currency Risk

As the Company operates on an international basis, currency risk exposures arise from transactions and balances denominated in foreign currencies. The Company's foreign exchange risk arises primarily with respect to the U.S. dollar.

A significant portion of the Company's cash and cash equivalents, accounts payable, and expenses are denominated in U.S. dollars. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity.

There have been no changes in the Company's objectives and policies for managing the above mentioned risks and there has been no significant change in the Company's exposure to each risk during the year ended September 30, 2014.

12. Business Operations

The Company was incorporated on July 30, 1998 under the laws of British Columbia and is a mining exploration and development company. The address of the Company's corporate office and its principal place of business is Suite 2560, 200 Granville Street, Vancouver, British Columbia, V6C 1S4, Canada.

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

13. Outstanding Share Data

Summary of Outstanding Share Data at December 16, 2014:

a. Authorized: Unlimited common shares without par value.
   Issued and outstanding: 222,492,510 common shares

b. Stock options:
   Options outstanding: 18,200,332

c. Warrants:
   Warrants outstanding: 80,000,000

14. Disclosure Controls

Management has designed disclosure controls and procedures, or has caused them to be designed under its supervision to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to management, particularly during the period in which the annual filings are being prepared.

Management has also designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of the financial statements for the year ended September 30, 2014, in accordance with IFRS. There has been no change in the Company's disclosure controls and procedures or in the Company's internal control over financial reporting that occurred during the most recently completed period that has materially affected, or is reasonably likely to materially affect, the Company's disclosure controls and procedures or internal control over financial reporting.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated the effectiveness of the Company's disclosure controls and procedures in place as at September 30, 2014. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer of the Company concluded that the design and operations of these controls and procedures were effective.

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com. The shareholders will be kept informed of any material changes.

15. Subsequent Event

On December 15, 2014, the Company granted to directors, officers, and employees a total of 2,760,000 stock options under the Company's Stock Option Plan. The options have a five year term and are exercisable at a price of $0.15 per share, and vest 1/3 one year after date of grant, 1/3 two years after date of grant and the remaining 1/3 three years after date of grant.