(Formerly FAITH SPRING VENTURE INC.)

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED FEBRUARY 28, 2014

This Management Discussion and Analysis ("MD&A") of the financial condition and results of operations has been prepared as at April 28, 2014, and should be read in conjunction with Viscount Mining Corp.'s (the "Company", "Viscount") Consolidated Quarter- End financial statements for the Quarter ended February 28, 2014. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements of the Company are presented on a consolidated basis with the Company's wholly owned Canadian and US subsidiaries, in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein, and in this MD&A, are reported in Canadian dollars.

The Company is a reporting issuer in the provinces of British Columbia and Alberta in Canada, and is listed on the TSX Venture Exchange under the trading symbol VML.

To assist shareholders and potential investors to learn more about Viscount Mining Corp. and its mineral projects, the Company maintains a website that provides information regarding its portfolio of exploration properties in Nevada comprising of 2,700 acres (the majority of the claims are patented claims), all 100% owned including more than 20 past producing silver and gold mines. Readers are encouraged to visit the site at www.viscountmining.com as well as review the Company's press releases and other public filings available on SEDAR (www.sedar.com).

Introduction
This MD&A dated April 28, 2014 contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward Looking Information
This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's ongoing drilling program; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these

forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and the level and volatility of prices of gold, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the Company's lack of revenues from operations and its continued ability to fund ongoing and planned exploration and possible future mining operations;
- risks related to the Company's history of losses, which will continue to occur in the future;
- risks related to governmental regulations;
- risks related to the uncertainty of the Company's ability to attract and retain qualified management;
- risks related to the Company's ability to successfully establish mining operations or profitably produce precious metals;
- volatility in the market price of gold, silver and other minerals which could affect the profitability of possible future operations and financial condition;
- risks related to currency volatility;
- risks related to the inherently dangerous activity of mining, including conditions or events beyond the Company's control;
- uncertainty as to actual capital costs, operating costs, production and economic returns relating to potential mining operations;
- uncertainty in the Company's ability to obtain and maintain certain permits necessary for current and anticipated operations;
- risks related to the Company being subject to environmental laws and regulations;
- risks related to land due to inability to meet contractual obligations;
- risks related to the Company's ability to attract necessary capital funding for mineral exploration in the future;
- risks related to officers and directors being or becoming associated with other natural resource companies which may give rise to conflicts of interests; and
- the volatility of the Company's common share price.

This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward looking statements. Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

Overall Performance

The Company is a mineral exploration company incorporated under the laws of British Columbia, Canada and, together with its subsidiaries, is engaged in the exploration and development of mineral properties in Cherry Creek, Nevada.

After having secured funding late in 2010, the Company, during 2012, escalated exploration and evaluation activity. The Company focused its efforts on a program designed to understand previously disclosed historical resource estimates, as described in the latest National Instrument 43-101 compliant Technical Report dated May 20, 2013 and currently on file at SEDAR.

Recent significant activities reported by the Company are:

- On January 16, 2014, the Company appointed Matt Hughes to the Board of Directors replacing Jeremy Caddy.
- On March 17, 2013, the Company announced that it has commissioned Oliver GeoServices LLC of Colleyville, Texas, to develop a 3D GIS model of historic deposits at the Cherry Creek Prospect with the goal to both inventory past production and to gain a more detailed understanding of the three dimensional geometry of the various vein systems.
- On March 31, 2014, the Company announced having located a report authored by Michael Tognoni in 1985 and titled “Ticup-Fillmore and Star Mines, Cherry Creek Mining District, White Pine County, Nevada”. In the Company news release, it was stated to contain “previously unknown facts regarding its wholly-owned lands in Nevada”. Subsequently, the Company has become aware that the Tognoni report had been disclosed as a reference, although not discussed, in the Technical Report of May 20, 2013. In addition to the following clarification issued on April 2, 2014, an announcement is under preparation to further correct this Company oversight as well as to retract certain text previously on the web site and in the Investor Presentation.
- On April 2, 2014, the Company clarified certain statements and assertions made in the news release dated March 31, 2014, namely that the Tognoni report was referenced in an earlier Company news release dated November 18, 2013, clarified that Tognoni’s 46 samples should have been identified as grab samples and retracted a statement attributed to Dr. Lahti, Company VP Exploration, that implied silver and gold reserve potential that is not supported by the Technical Report dated May 20, 2013.
- On April 17, 2014, the TSX Venture Exchange suspended trading in Viscount Mining Corp.'s securities as a result of a cease trade order (CTO) issued by the British Columbia Securities Commission (BCSC). The Company has been advised that reinstatement to trading can occur only when the CTO is revoked and the exchange has concluded its reinstatement review to ensure the Company has satisfactorily complied with exchange requirements. The Company is working diligently to remedy the situation and will provide an update once it has complied with the BCSC's requirements and the CTO and the suspension from trading are revoked. Until the CTO is revoked, the Company web site will not be accessible.

1. Disclosure of Technical Information on Mineral Projects

References in this MD&A to mineral resources are estimates prepared pursuant to the requirements of National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”) as in effect on the date of the estimates. The definitions of the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in, and are required to be disclosed by, NI 43-101.

Technical aspects of this MD&A were reviewed by Dallas W. Davis, P.Eng, FEC, a consulting geologist who is a life member of the Association of Professional Engineers and Geoscientists of New Brunswick, is independent of the Company and is a Qualified Person, both as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects.*

2. Company Overview

The Company was incorporated under the British Columbia Business Corporations Act on October 26, 2011 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV").

On July 23, 2013, the Company completed a share exchange (the "Share Exchange") with Viscount Mining Resources Ltd. ("Viscount") and all of the shareholders of Viscount. Concurrently with the Share Exchange, the Company also changed its name to Viscount Mining Corp. and completed a consolidation of its common shares on the basis of one post-consolidation share for every two pre-consolidation shares. For accounting purposes the transaction described above has been treated as a Reverse Takeover (RTO) and the accounting records of Viscount are reported prior to July 23, 2013, the date of the share exchange. The Company's registered office is located at Suite 400 – 570 Granville Street, Vancouver, BC, V6C 3P1. The Company is an exploration stage company and its principal business activity is natural resource exploration, focusing on resources located in the state of Nevada in the USA.

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3. Directors & Management

Mr. James MacKenzie	Director, President, Chief Executive Officer
Mr. Kaare Foy	Director, Chairman of the Board
Mr. William MacDonald	Director
Mr. John Anderson	Director
Mr. Andrew Gertler	Director
Mr. Matthew Hughes	Director
Dr. Andrew McCreath	Director
Mr. Derick Sinclair, CA	Chief Financial Officer, Corporate Secretary

4. Exploration and Evaluation Properties

On March 31, 2011, the Company entered into a Mining Lease and Agreement to Purchase for certain patented and unpatented mining claims located in White Pine Country, Nevada (the "Cherry Creek 1 Property"). On March 13, 2013, and on April 19, 2013 and again on May 21, 2013, the agreement was amended. Under the terms of the amended agreement, the Company to make lease payments totaling US$535,000 as follows:

i. US$10,000 within 15 days of signing of the agreement (paid);
ii. US$10,000 on or before March 31, 2012 (paid);
iii. US$75,000 and issue 375,000 common shares at a deemed price per share of $0.20 for a total value of $75,000 on or before March 31, 2013 (paid and issued);
iv. US$165,000 on or before July 1, 2014; and
v. US$200,000 on or before March 31, 2015.

Upon payment of cumulative lease payments of US$535,000, the owner will transfer title to the Cherry Creek 1 Property to the Company. The Company will pay the owner a Net Smelter Royalty ("NSR") of 1.5% of net smelter proceeds.

The First Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
Only Chance	20	19	24 North	63 East	NMC #973017
Chequer No. 08	20	19	24 North	63 East	NMC #873018

Patented claims

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Ben Butler	10.95	099-025-01	24 North	63 East	250170
Big Giant	20.08	099-025-02	24 North	63 East	6167
Emma	20.08	099-025-14	24 North	63 East	250170
Exchequer	20.66	099-025-15	24 North	63 East	5700
Jim Blaine	20.25	099-025-18	24 North	63 East	250170
Little Giant	20.20	099-025-20	24 North 63	East	250169
Logan	19.52	099-025-21	24 North	63 East	250170
New Century	18.89	099-025-36	24 North	63 East	250170
Old Imperial	16.55	099-025-41	24 North	63 East	250170

The First Cherry Creek Claims are also subject to a 1% net smelter royalty from the gross revenue received from the sale of mineral products from the First Cherry Creek Claims less allowable deductions granted by Viscount to Kingsmere Mining Ltd. ("Kingsmere") as consideration for Kingsmere's efforts in completion of the Ruggles Agreement (the "First Kingsmere Royalty"). The First Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

On June 27, 2011, Viscount entered into a Mining Lease and Agreement to Purchase with Lyndyl Sorensen and Kayleen Winkler, as amended (the "Sorensen/Winkler Agreement") relating to certain patented and unpatented mining claims and two mill sites located in White Pine Country, Nevada (the "Second Cherry Creek Claims"). The agreement was amended on May 21, 2013. Pursuant to the terms of the Sorensen/Winkler Agreement, Viscount must make lease payments totaling US$420,000 as follows:

i. US$30,000 within 15 days of signing the agreement (paid);
ii. US$20,000 on or before June 27, 2012 (paid); and
iii. US$370,000 on or before July 1, 2014.

Upon payment of the cash lease payments as set forth above, a 100% right, title and interest to the Second Cherry Creek Claims will be transferred to Viscount subject to a permanent 1% net smelter royalty (the "Sorensen/Winkler NSR") from the net smelter proceeds of the Second Cherry Creek Claims in favour of the vendors.

The Second Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
October	20	NW 29	24 North	63 East	NMC #551764
June Bug	20	SE 19	24 North	63 East	NMC #125828
Cherry Creek #5	20	NE 29	24 North	63 East	NMC #125820
Cherry Creek #6	20	NE 29	24 North	63 East	NMC #125821
Ashley B	20	19/29/30	24 North	63 East	NMC #650072
Ashley B 1	20	19/29/30	24 North	63 East	NMC #351644
North Star	20	NE 19	24 North	63 East	NMC #704348
Ticup Millsite #2	20	NW 19	24 North	63 East	NMC #351651
Ticup Millsite #3	20	NW 29	24 North	63 East	NMC #352652
Keithley Fraction	20	19,30	24 North	63 East	NMC#351649
Foggy Fraction	20	19,30	24 North	63 East	NMC #395299
Good Enough	20	19,30	24 North	63 East	NMC #395300
Keithley Fraction	20	19	24 North	63 East	NMC #648544
Ashley B 3	20	19/25/30	24 North	63 East	NMC #351646
Good Enough 31	20	19/25/30	24 North	63 East	NMC #576046
Cherry Creek # 10	20	SE 19	24 North	63 East	NMC #125822

Patented

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Mascot	20.88	099-025-22	24 North	63 East	79655
Chief of Hills	17.80	099-025-09	24 North	63 East	79655
Gray Eagle	15.60	099-025-17	24 North	63 East	3283
Star	20.66	099-025-44	24 North	63 East	2691
West Extension of Star	20.88	099-025-48	24 North	63 East	79655
East Extension of Star	10.27	099-025-12	24 North	63 East	7033

The Second Cherry Creek Claims are also subject to a 1.5% net smelter royalty from the gross revenue received from the sale of mineral products from the Second Cherry Claims less allowable deductions granted by Viscount to Kingsmere as consideration for Kingsmere's efforts in completion of the Sorensen/Winkler Agreement (the "Second Kingsmere Royalty"). The Second Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

Subsequent to the date of the Ruggles Agreement and the Sorensen/Winkler Agreement, Viscount, through its wholly-owned subsidiary, Viscount Nevada, acquired certain additional unpatented claims in the surrounding area of the Cherry Creek Property (the "Third Cherry Creek Claims").

On January 29, 2013, the Company entered into a Mining Lease and Agreement to Purchase for certain unpatented mining claims located in White Pine Country, Nevada (the "Ticup Property"). The agreement was amended on February 28, 2013. The terms of the agreement call for the Company to make lease payments totaling US$32,500 as follows:

i. US$5,000 within 5 days of signing of the agreement (paid);
ii. US$5,000 on or before January 29, 2014 (paid);
iii. US$5,000 on or before January 29, 2015;
iv. US$7,500 on or before January 29, 2016; and
v. US$10,000 on or before January 29, 2017.

In accordance with the agreement upon payment of the initial $5,000 title of the property transfers to the Company and the Company is in the process of completing the transfer.

Former Mines on the Properties

Star Mine (Excerpt from Technical Report dated May 20, 2013)

Most of the work on the Star Mine was done during the period from 1872 to 1883, and produced US$6,000,000 dollars of the day (Schrader 1931). Starting in 1880, heavy water was encountered in the 350 level, and the Star crosscut tunnel was driven for drainage. Work continued until 1893 when no recovery from the silver crash finally brought the work to a halt.

In 1895, the Glasgow and Western Company started advancing the Star tunnel 800 feet west, but after 400 feet the vein disappeared. A crosscut to the north failed to find the vein. Three un-successful attempts to mill ore locally failed, and the mine closed again in 1910. In 1913, a new company began to operate the mine using British capital, but closed in 1914 due to the war.

The Star was worked intermittently for the next ten years, until the Nevada Standard Mining Co. took over. In 1927, a crosscut to the south discovers the vein, and the Walker drift is driven, which was named after the mine manager. Following the stock market crash the mine experienced a steady decline. The last major accomplishment was the driving of the Goodman drainage tunnel that intersected the Star shaft at the 700 foot level. It was completed in 1936.

In all, the mine was developed with a 750 foot deep, three compartment shaft with 9 levels, with about 15,000 feet of aggregate workings. There are two veins that are nearly parallel about 30 feet apart on the Star level that intersect at the 6^{th} and 7^{th} level. The South vein is described as 1-7 foot quartz vein, and the North vein, that in 1930 had received relatively little attention was said to be a 2 foot quartz vein. The average grade of the ore was said to be 0.25 opt gold and 20 opt silver and lead and zinc about 8 % each (Schrader 1931).

Gray Eagle (Excerpt from Technical Report dated May 20, 2013)

The Gray Eagle shaft is located about 275m northwest of the Star main shaft. It was sunk to a depth of 64m on a vein that cuts shale, limestone and quartzite and strikes N 60 E, and dips 45 NNW, close to the strike and dip of the host rocks. It does not state in any of the reviewed literature whether this vein is concordant to bedding, but considering the rest of the district this seems likely. The vein is 1m wide and its known length is 488m and the grade was reported to be 9.3 gpt gold and 249 gpt silver (Schrader 1931).

Exchequer/New Century (Excerpt from Technical Report dated May 20, 2013)

The Exchequer and Imperial (New Century) mines are some of the oldest in the district, and were considered the northern part of the Star Group of claims (Schrader 1931). The mines are located 1,160m NNW of the Star shaft and about 122m higher in elevation. There are two veins that are roughly parallel, 9 to 18m apart, and strike N 80 W. They are called the Exchequer to the north and the blue vein to the south. They are separated by a quartz monzonite that is hosted in argillite, shale and quartzite. They can be traced for about 915m and the quartz monzonite between the two veins are said to be of milling grade (Schrader 1931). The average grade for both mines was reported to be 1.6 gpt gold and 684 gpt silver.

The Imperial Mine is located on the east side of Exchequer Canyon, and was originally opened as an adit, 183m long, and a 98m shaft. The vein consists of brecciated quartzite, that is quartz cemented and associated with the quartz monzonite. The Blue vein forms the south wall of the fault zone. The ore is not as complex as the Star ore, and was amenable to cyanidation.

The Exchequer Mine, on the opposite side of the canyon was developed by a 366m adit and a 67m shaft. According to Schrader (1931) the mine had produced $US 3,000,000 of the day in “shipping ore”. The vein was reported to be 3.7m wide with 3m of “low grade” ore.

In the early 1980’s, Goldera Resources Inc. began to rehabilitate and explore the Exchequer and the New Century Mines. They rehabilitated the shaft at the New Century and drove a decline to the 67m level. Only a few assays are available from this work at the present.

Teacup – Mother Lode (Excerpt from Technical Report dated May 20, 2013)

The Ticup (Tecup, Teacup) was operated in the 1890's and again between 1905 to 1912 as a silver mine. In 1940 tungsten was discovered, and the Cherry Creek Tungsten Mining Company was formed.

It is thought that the Ticup is a continuation of the Mother Lode deposit. They both are located on bedding plane fault between the same lithologic units. The silver ores occur as lenticular bodies that conform with bedding, about 40 degrees west. The shaft at the Ticup was developed in and sunk to a depth of 335m with many levels and drifts. The economic cut-off grades are unknown, but Schrader (1931) states that 2.7m of “good-grade milling ore” was exposed.

After the tungsten discovery, a 61m shaft was sunk east of the Ticup shaft, and production of tungsten began. The U.S. Bureau of Mines did extensive exploration for tungsten in 1942, apparently as part of the war effort. They rehabilitated mine workings, improved and built roads, trenched, sank shafts, long-holed and core drilled the property. Sixteen holes were drilled in the more important tungsten deposits, totaling 767m. Unfortunately, no analytical data other than that related to tungsten is available from these efforts.

Located on the same lithologic horizon as the Ticup, the Mother Lode is about 1.25km to the north. According to Schafer (1931), the structure that hosts the mines can be traceable until it passes underneath the sediments in the Steptoe valley. The structure is said to be 6.1m wide. Beginning in 1920, J.W. Walker and associates drove a 610m tunnel at the 183m level. It was said to be 4.9m wide with an average silver grade of about 373 gpt, based on 1921 silver prices (kitco.com).

Historical resources and reserves (Excerpt from Technical Report dated May 20, 2013)

In a report on mineralization that occurs on the subject claims for Goldera Resources Inc., Dr. W.D. Groves, P.Eng. stated on page 3:

"Extensive assaying of ore shoots exposed in workings on Goldera's three sets of Cherry Creek, Nevada properties has an indicated 47,000 tons of "ready to mine" ore with a weighted average grade of 0.0586 oz. gold/ton and 24.1 oz. silver/ton…."

"The 47,000 tons are distributed over five locations as follows:

R-1 New Century mine, Upper adit – Blue Vein	10,000 tons
R-2 New Century mine, Shaft and lower levels,	20,000 tons
R-3 Exchequer mine Upper adit – Blue Vein	5,000 tons
R-5 Motherlode mine Open pit	10,000 tons
R-6 Pick & Gad Mine Open Pit	2,000 tons
TOTAL	47,000 tons

Parameters essential to an economic assessment of these deposits have been enumerated in this report. Average grade figures presented were derived from a large number of samples (individual assay values presented in the report)."

This estimate must be considered an historical resource and does not meet the National Instrument 43-101 definitions for a resource or reserve as stated in sections 1.2 and 1.3. There has been no opportunity to verify either the grade or size of the reported "ready to mine" reserve and the therefore the estimate cannot be considered to comply with NI 43-101. Snowden has not completed sufficient work to classify the historical reserve estimate as either a current mineral resource or mineral reserve and neither Viscount nor Faith Spring Developers are treating the historical estimate as a current mineral resource or mineral reserve as defined in NI 43-101. The historical estimate should not be relied upon.

Current mineral resources and reserves

No mineral resources or mineral reserves as defined under National Instrument 43-101 have been identified on the Cherry Creek property.

Production (Excerpt from Technical Report dated May 20, 2013)

The Cherry Creek District, has documented historic production of 312,012 tons of ore that yielded 32,450 ounces of gold, 1.6 million ounces of silver, 144,000 pounds of copper, and 832,000 pounds of lead. Tungsten was also produced from the area as part of the World War I effort. Total production from the area has been estimated to have a value of between $US15 and $US20 million in dollars of the day. Snowden has no way of confirming these published figures.

Geological Setting and Mineralization (Excerpt from Technical Report dated May 20, 2013)

General

The Cherry Creek district is within the Basin and Range Tectonic Province of the western US. The Basin and Range Province consists of a series of North to NNE trending mountain ranges separated by broad alluvial basins. The mountain ranges are structurally high areas; the basins are structurally low areas. Complex fault movements resulting from deep seated crustal extension formed the basins and ranges. The crustal extension process began between 30 and 20 million years ago, and is still on going to this day.

The crustal extension, responsible for the numerous faults (many of which may be still active) that formed the Basin and Range, resulted in a thinner crust beneath this tectonic province with respect to the neighboring

tectonic provinces. A consequence of this is the presence of an anomalously high geothermal gradient in the Basin and Range which gave rise to the presence of many hot springs throughout the province.

Hot springs are formed by geothermal cells which have been emplaced at depth along the many faults throughout the Great Basin. Epithermal mineral deposits are often formed coincident to hot springs systems (in Nevada, these type deposits are generally gold and silver rich). This process (formation of and cessation of hot spring systems and their coincident mineral deposits) has occurred intermittently throughout the past 30 to 20 million years throughout the Great Basin.

In many cases a younger geothermal cell will be formed in the same or nearby location of an older dormant cell, thus enriching the previously formed mineral deposit. This is an abbreviated description of how a mineral district such as the Cherry Creek District is formed.

Regional geology

Rocks of the lower Paleozoic in eastern Nevada show a sequence of depositional environments, reflecting a stable cratonic boundary with a developing continental shelf. The lower Cambrian Prospect Mountain formation, a quartz arenite reflecting broad braided stream environment, is followed by a sequence of Cambrian through Devonian limestones and dolomites, indicating a low relief stable environment, though the local variations in depositional environments is quite varied. Westward thickening of the sediments reflect deposition towards the edge of the shelf and the slope into deep water eugeoclinal environments.

During Mid-Paleozoic time, the Antler Orogeny began to form to the west of the continental shelf. This resulted in a large scale thrusting of the deeper water silici-clastic, eugeoclinal deposits eastwards over the mioclinal rocks of equivalent or younger ages. The resulting highlands then started shedding clastic sediments towards the east. This sequence is referred to as the eastern autochthonous assemblage (the shelf carbonates), the western allochthonous assemblage (the eugeoclinal silici-clastics) and the overlap or transitional assemblage (clastic sediments resulting from the orogenic uplift).

Beginning in the Mesozoic, the region experienced a period of folding and plutonic and volcanic activity. Igneous rocks from early Jurassic to Eocene were emplaced throughout eastern Nevada. During the waning phase of this orogenic event, an arch developed in eastern White Pine County called the Butte Structural Through (Hose et al 1976). This positive arch created the west dip of the rocks in Cherry Creek and northern Egan range. Beginning in Mid Cenozoic times, the area experienced volcanism and an extensional tectonic domain began, that is possibly still active.

Property geology

Adair (1960) mapped the geology of the Cherry Creek Property in detail as part of his Master's thesis at University of Utah. He is recognized as the authority on the district, consequently the following relies heavily on his interpretations of the district geology.

<u>Lithology - Sedimentary Rocks</u>

The stratigraphy in the Egan and Cherry Creek Range ranges in age from late Pre-Cambrian through the Triassic. This section of the report discusses those rocks that are exposed north of Cherry Creek Canyon, and concentrates on the Cambrian section, as all metal deposits are hosted in these sediments with the exception of the Old Last Chance and the Maryanne that are hosted in Tertiary Quartz Monzonite.

Prospect Mountain Formation (Cpm) – This is the oldest recognized unit in the prospect area. In the Cherry Creek project area, the thickness of the formation is about 2,100 m. The exact age of the unit is not certain, but the upper parts of the Prospect Mountain are conformable with overlying shale that contains a distinctive

Cambrian trilobite Fauna. It is likely that the lower parts of the Prospect Mountain Formation are Pre-Cambrian in age, especially considering its great thickness. The Prospect Mountain Formation is composed of quartzites and shales, with phyllites in the lower part of the formation and extends from Cherry Creek Canyon, about 12 km to the northeast.

The Prospect Mountain Formation is the dominant rock unit found at the Star, Grey Eagle, Exchequer and New Century deposits; the veins which contain the mineralization are hosted in this unit.

Pioche Shale, Busby, Millard, Burrows, Burnt Canyon and Dome Formations undifferentiated (Clmu) – This unit lies above the Prospect Mountain Formation and is a section of shale, limestone and dolomite that Adair maps as a single unit and consists of several lower Cambrian units identified individually in other places. This composite map unit is about 185 m thick. District wide, the lower third of this unit is predominately shale, the upper two thirds is predominately limestone and dolomite. This unit is separated from the underlying Prospect Mountain Quartzite by a bedding fault horizon.

This unit is found in the foot wall of the Exchequer Fault in the Star – Grey Eagle and the Exchequer – New Century prospect areas, where it is not known to be mineralized. It is found in the hanging wall of the Exchequer Fault in the Filmore – Bluebell prospect area, where the upper contact is mineralized along a bedding plane fault. This unit does not appear to be associated with or near mineralization in any of the other mineralized areas of the project area.

Swasey Limestone (Cs) – This unit is a massive limestone about 176 m thick (in part oolitic), and is conformable with the underlying beds. It forms massive cliffs which contrast with the overlying, non-resistant Wheeler Shale.
It is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Wheeler Shale (Cw) – This unit is from 194 to 197 m thick and is separated from the underlying Swasey Limestone by a bedding fault horizon. The lower part of this unit is a black to maroon shale; it grades upwards into a silty limestone. The Wheeler Shale is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Marjum, Weeks and Orr Formations undifferentiated (Cmwo) – The composite thickness of this unit is 1,135m thick and is composed of predominately limestone and dolomite with minor shale. Adair mapped this rock package as a single unit, due to uncertainty in determining locations of inter formational boundaries. The upper 460m of this unit is composed of a medium to massive bedded sequence of limestones and dolomites,
Bedding plane faults in this unit host the Mother Lode prospect on the east side of the range (controlled by Viscount), and the Shoestring and Nora prospects on the west side of the range.

Dunderberg Shale (Cd) – This unit overlies the predominately massive limestone unit mentioned above, and this contact is sharp and is commonly a silicified bedding plane fault. It is an olive to black fossiliferous shale with numerous thin interbedded limestone lenses. This unit is up to 210m thick.

Notch Peak Formation (Cnp) – This is the uppermost Cambrian unit exposed in the Cherry Creek district. It is a thin to medium bedded, slightly argillaceous fossiliferous limestone. The lower contact with the Dunderberg Shale is mapped as a sharp, conformable contact. The upper contact, with the Pogonip Group (Op) was mapped as a sharp conformable contact by Adair. In the Pequop Range to the north, the Notch Peak - Pogonip contact is erosional with the development of karst topographic features in the Notch Peak (an important gold bearing horizon). Adair states “for the ease of mapping, the upper contact is taken as the base of a massive 260m cliff.

This contact is an arbitrary one…" (Adair, pg 21). This relationship should be mapped in detail, especially in Flint Spring area, where the two units were seen as being in structural contact.

In spite of the fact, that the Notch Peak – Pogonip contact is an important mineralized horizon in nearby mountain ranges to the north, there are no historic mineral occurrences associated with the Notch Peak Formation in the Cherry Creek project area. At the present time, Viscount does not control any claims that are underlain by the Notch Peak Formation. Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Pogonip Group (Op) – This Lower Ordovician unit is composed of six separate mainly limestone units that are mapped as separate formations elsewhere in Nevada. The Pogonip in the Cherry Creek area is about 1,036m. thick and is shown by Adair as being conformable with the underlying and overlying units.

At the present time (Nov. 2013), Viscount does not control any claims that are underlain by the Pogonip Group. As with the Notch Peak formation, Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Eureka Quartzite (Oe) – This quartzite unit, which is up to 30m thick is intermittently present north of the project area. It is mapped as being conformable with both the underlying and overlying units. It is a prominent ledge former where present. It does not underlie any of Viscount's claims.
Fish Haven, Laketown, Sevy, Simonson and Guilmette formations undifferentiated (OSD) – These Upper Ordovician formations were mapped as one unit by Adair. These units are predominately limestones and dolomites with lesser portions of shale. The thickness of these units is not stated by Adair, but judging from outcrop relationships with other nearby units, Snowden estimates it is at least 1,060m thick.
There are no historic mineral occurrences associated with these units in the Cherry Creek project area.

The Devonian – Mississippian Pilot Shale (DMp), Mississippian Joanna Limestone (Mj) and Chainman Shale (Mc), and the Permo – Pennsylvanian Ely and Arcturus Formations (PPu), while important formations in most of eastern Nevada, do not outcrop in the Cherry Creek Project Area. They are found about eight miles to the south. These formations were eroded in the project area.

Lithology – Intrusive Rocks

Several Tertiary intrusives are present in the project area. The most prominent of these are a series of related quartz monzonite dykes that outcrop on the east side of the range and just north of Cherry Creek Canyon. On its south and east side, the sedimentary rocks are in fault contact with the intrusives. On the west side the intrusives seem to replace the sediments, but the contacts are sharp. Extremely little contact metamorphism is evident. Unaltered quartz monzonite is light grey and phaneritic, and in some places shows phenocrysts of potassium feldspar.

Most likely, these rock units form a series of at least five igneous bodies which interfinger with and intrude each other and were sourced from the same magma chamber. The process of magmatic differentiation was responsible for the minor mineralogical variations between these units. Heat which emanated over long periods of time from these igneous bodies powered the series of hydrothermal cells that were responsible for depositing economic mineralization in the Cherry Creek District.

Silver Canyon Quartz Diorite (qd) – Adair mapped this unit found at the mouth of Silver Canyon as a quartz diorite. It weathers easily, and un-altered exposures are hard to find. It is medium grey and equi-granular, but finer grained than nearby quartz monzonites. According to Adair, it is mostly altered. Adair has mapped the quartz diorite as being the oldest igneous unit in the Cherry Creek district. Soils geochemistry work done as part of this investigation indicates that this unit may host potential economic mineralization in the northeast part of the Cherry North claimblock.

Normal Quartz Monzonite (qm) – This unit was mapped as "normal" by Adair, meaning it is relatively unaltered. It outcrops in an approximately 0.6 to 1 square kilometer area located about 1km to the south of the

Star Mine, as well as many other places in the Cherry Creek district. Porphyry Dikes (pd) – Adair mapped at least 35 dikes which intruded along formation contacts and faults throughout Viscount's Cherry Creek Project Area. The dikes range in strike length from several hundred to at least 0.6km long and in width from 2 to 33m.

Mineralogically, the dikes vary in composition throughout the project area. In the Star – Grey Eagle and Exchequer – New Century prospect areas, the dike rocks are quartz monzonite porphyry; probably derived as a late phase differentiation from the large quartz monzonite magma chamber found at depth several kilometers to the south. At the Exchequer – New Century prospect silver and gold bearing veins were emplaced on the hanging wall and foot wall sides of a 15 to 21m wide dike. The dike rock is said to be "milling grade", but this has not been tested as of yet. At the Star – Grey Eagle prospect, the quartz monzonite porphyry dikes are found in close association with silver – gold bearing veins, but not as intimately as at the Exchequer – New Century prospect. Porphyry dikes appear to be associated with mineralization at Viscount's Cherry Creek Project Area, at least at the prospects mentioned above.

Structural Geology

The general structural trend of the north part of the Cherry Creek Mining District is that of a west dipping monocline. In general, Adair divides the structures as the pre intrusive structures, and those that are post intrusive. The pre-intrusive faults are most dominate in the project area and thus are discussed in more detail in this report.

Bedding plane faults

The oldest structures in the area are the bedding plane faults. They are all hosted in the Cambrian sections and have metal deposits associated with them. These faults appear at the contacts between the Prospect Mountain Formation and Pioche Shale, at the contact between the Swasey Limestone and the Wheeler Formation and the Orr and Dunderberg Formations.

The Ticup, Baltic/Mother Lode and Chance are prospects controlled by Viscount, where mineralization was emplaced along bedding plane faults.

Right lateral faults

Three major right lateral faults cut across the range. Two of these, the Black Metal Fault and the Exchequer Fault are in the project area, and both strike to the northeast. They displace the bedding plane faults, but not the intrusives, thus being bracketed in terms of possible age. Both faults appear to be closely associated with mineralized prospects.

The Black Metal Fault is the more northerly of the two and is thought to have the greatest displacement (1,220m). It is persistent, and in the field it is marked by quartz veins silicification and brecciation. Known mineralization associated with this fault is restricted to the NE part of the project area in the vicinity of Silver Canyon.

The Exchequer fault strikes northeasterly across the Cherry Creek District for a distance of about 8 kilometers, dipping steeply to the southeast. There are seven past producing small mines which are found along this fault and several additional in close proximity. The Exchequer fault is definitely a major mineralizing structure in the district. The Exchequer, New Century, Filmore and Bluebell are prospects controlled by Viscount which are along this structure. The Grey Eagle, also controlled by Viscount is in close proximity and is sub parallel to the fault. Soil geochemical work indicates that disseminated mineralization may have been deposited along this fault in the Star Mine – Grey Eagle Mine area.

East – West normal faults

East –West striking faults also exist and are thought to be part of the general development of the northeasterly trending systems. They are not as common, but are significant as the Star vein is hosted by one of these types of faults.

Northeast striking, shallow dipping faults

A northeast striking fault with a dip of approximately 25 degrees southeast is located in the Star – Grey Eagle and Exchequer – New Century area. The fault has a strike length of about 2.5km. Mineralization at the Star – Grey Eagle is hosted in the hanging wall block of this fault. The northeast extension of the New Century quartz monzonite porphyry dike terminates where it encounters this fault.

Mineralisation

General

Several different types of mineralization occur in the Cherry Creek District. They are broadly defined as gold quartz veins, silver-gold-base metal veins associated with northeast trending faults, west to northwest trending veins and bedding fault deposits. The gold quartz veins are found in the Egan Canyon area and are not part of the area of interest.

Silver-gold-base metal veins are associated with the northeast trending lateral faults; the Black Metal and the Exchequer veins. The veins tend to be brecciated and associated with the quartz monzonite dikes of the district. Their mineralogy is fairly simple. Initially the oxides were mined and direct smelted, but most of the mines examined in later times seem to have reached the sulfides. The Exchequer, New Century and Black Metal fall into this category.

The only west to northwest veins are the Star vein system. These are more truly quartz veins and cut quartzite and shale of the Prospect Mountain Formation. The Star vein is cut off by the quartz monzonite. The mineralogy of the vein is much more complex than that of the northeast trending veins.

Bedding plane faults deposits are known to occur at three different horizons within the section. They all tend to be capped by shale, and occur in the underlying quartzites or limestones. The lowest are those that occur at the contact between the Prospect Mountain upper quartzite and the overlying Pioche shale. Not much is described in the older literature, but in the report to Goldera, Groves (1982) reported on the Pick and Gad prospect (not controlled by Viscount). He states that he identified visible gold, and he took 45 samples over the 122m strike length exposed at the prospect. His sampling averaged 7.46 gpt gold and 1038.85 gpt silver over a 1m width. There is no mention of the assayer used or his sampling method.

The second group of known bedding plane fault deposits occurs at the contact of the Swasey limestone and the Wheeler shale. They tend to be developed in the limestone from 2 to 7m wide. It is not known if lower grade material continues further into the limestone. They are found as lenticular bodies of white quartz that have replaced the limestone. The more prominent mines of this group are the Ticup, Chance and Mother Lode (Baltic). Schrader believes that they are continuous between the two mines, which would constitute a strike length of about 600m. The samples taken by Snowden at the Ticup were of a flesh colored silicified breccia that averaged 0.09 gpt gold and 36.08 gpt silver; however, these values are based on only three samples.

The third group of bedding plane fault controlled metal occurrences is found at the contact of the Orr formation and the Dunderberg Shale. They are similar in appearance to the bedding faults that are found at the contact of the Swasey limestone and the Wheeler Shale. The Shoestring and the Nora in Lead Canyon are typical of the third group.

A fourth type of deposit along bedding contacts may or may not be present. In the Peqoup Mountains directly north of the Cherry Creek Range, the newly discovered Long Canyon deposit is found in a karst breccia and solution environment in the Notch Peak Dolomite under the Pogonip Formation. This potential occurrence has not been investigated, or seen as an exploration target to date in the Cherry Creek range.

Description of mineralized zones

The structures visited included the Imperial new Century Mine, the Ticup Mine, the Mother Lode Mine and the Star Mine. The minerals of interest that were identified during the field investigation are shown on Table 7-2, Table 7-3, Table 7-4 and Table 7-5 of the Technical Report dated May 20, 2013 and which can be downloaded from the SEDAR web site, http://www.sedar.com.

Deposit types

Snowden's current interpretation is that there are probably two distinct types of mineral deposits present at the Cherry Creek project area. Both are hydrothermal type deposits as defined by Bateman (1951). That is, they were formed by the physio-chemical processes associated with mineral laden hot waters moving through fractures, faults, unconformities, etc. present in a given rock mass.

Mesothermal veins

The Exchequer – New Century veins and the Star veins appear to be classic mesothermal veins. These veins are formed at intermediate depths and are noted for mineralogical persistence with depth down the dip and projection along strike. Economic mineralization is associated with quartz veins and brecciated zones between veins that were emplaced along faults. Gold and silver values are found in fine sulfide minerals that are encapsulated in quartz. It is noteworthy, that these mines were the major past producers in the district and were also silica flux mines providing gold and silver bearing silica flux material for the nearby copper smelter at McGill, Nevada.

Epithermal breccia veins

Several of the bedding plane fault prospects in the district appear to contain mineralized breccias. The Mother Lode (claimed by Viscount) and the Pick and Gad (not claimed by Viscount) prospects, in particular, appear to be associated with epithermal breccias.

Epithermal type deposits in Nevada were formed at relatively shallow depths and are known to not persist down the dip. This unwelcome characteristic is offset by the fact that there are often very high mineral grades associated with these type deposits.

The Cherry Creek Range shows a fairly complete sequence of deposition from the late Pre-Cambrian through the Devonian Joanna Limestone, all part of the Eastern Assemblage. There are some regional unconformities through the sequence, in the Mid Ordovician and in the Silurian. Deposition stopped in the Devonian. This is followed by the deposition of the Chainman Formation of the transitional assemblage. There is no evidence of over-thrusted western assemblage rocks in the range. This seems to indicate that the range was located substantially to the east and possibly south of the uplift formed by the Antler orogeny.

Geologic model

The conceptual geologic model used to guide the exploration at the Cherry Creek Prospect, is a modification of the shear hosted mesothermal vein model. The geologic evidence clearly indicates that the Exchequer and New Century deposits were emplaced along the hanging wall and footwall of a porphyry dike intruded along the Exchequer Fault. The Star vein and the Grey Eagle vein, the two major deposits at the Star Property, were both emplaced along shear zones associated with the Exchequer Fault. The Star vein is at an approximate right angle to the fault, while the Grey Eagle vein is sub parallel to the fault.

At all three locations, the faults intersect quartzites of the Prospect Mountain Quartzite. It is postulated that the quartzite wall rock may host disseminated mineralization, where the main mineralized shear intersects the more permeable zones. The wide (30m) high grade gold and silver geochemical anomaly discovered at the norhtwest end of the Star soils geochemical survey line provides strong evidence for disseminated mineralization in the quartzite host rock. The Mother Lode occurrence is hosted at a bedding plane fault that cuts the contact zone of the shales of the Dunderberg Formation and the underlying limestones of the Orr Formation. Snowden postulates that the Mother Lode is a typical epithermal breccia type deposit.

Basis for the exploration program (Excerpt from Technical Report dated May 20, 2013)

The reconnaissance exploration program carried out to acquire the baseline data is described in Section 9 of the Technical Report.

To effectively plan the program, a basic understanding of the economic geology of the project area was acquired by a literature review, followed by an initial site visit. Once a basic understanding of the prospect geology was acquired, the reconnaissance exploration program was designed. The program as executed included IP Geophysical surveying, orientation soils geochemical sampling and limited geologic mapping at the Star – Grey Eagle and Ticup – Mother Lode and Silver Canyon quartz diorite prospects. The use of these techniques to gain an initial geologic – mineralogical understanding of the project was successful in identifying several exploration targets.

Exploration

General (Excerpt from Technical Report dated May 20, 2013)

Snowden was contracted in May 2011 to design and carry out an exploration program for Viscount's Cherry Creek project. The primary objective of the initial exploration program was to determine whether the properties of interest host epithermal style mineralization. The focus of the program was to better define known and discover unknown silver and gold mineralization. An additional objective of the program was to determine the exploration techniques best able to support the exploration effort. The initial program was both qualitative and quantitative. Three different surveys have been conducted to date; a rock chip survey, a soil geochemical survey and a geophysical (Induced Polarization) survey.

A brief description of the exploration carried out to date, the initial results and suggestions for follow up investigation activities is provided.

Previous work (Excerpt from Technical Report dated May 20, 2013)

The report authored by Dr. W. D. Groves for Goldera Resources Inc., is the latest documented exploration work conducted in the Cherry Creek Project Area. A summary report of this work exists, however the detailed mine maps and sample location maps produced prior to the writing of the summary report have been lost. The information provided in the report may only be used as a general guide towards future exploration efforts in the area.

In addition to the investigative work carried out on behalf of Goldera Resources Inc, several property scale reports were produced by the USGS during the WWII – Korean War era. The only metal assayed as a focus for these reports was tungsten. Consequently, the USGS work has limited value.

Three different surveys have been conducted to date by Viscount: a targeted rock chip survey, a targeted soil geochemical survey and a targeted geophysical survey.

The Planned Exploration Work for 2014/2015 and Tentative Budget

a)	Mapping and Sampling estimated cost for 3 months work	75,000
b)	Dewatering of Exchequer shaft	100,000
c)	Rehabilitation of underground workings Exchequer	500,000
d)	Prepare 7 underground drill sites Exchequer lowest level	150,000
e)	Drilling cost estimate for Exchequer/Blue Vein	
	1) Up 82ft (25m) , level, 82ft (25m) down 6640 ft (2024m) total 45 holes.	
	Phase 1 Estimated cost at $250/m =	510,000
	2) Down to 162ft (50m) 15 holes Apx 5000ft (1640m).	
	Phase 2 Estimated cost at $250/m	410,000
	3) Down to 75m and 100m partial drilling 14 holes 4660ft total.	
	4) 2450ft RC (750m) drilling est. cost at $100/m $ 75,000	
	5) 2450ft Core (750m) drilling Est. cost at $250/m $ 187,500	
	Phase 3 estimate cost	262,500
	Assaying (silver, gold, trace elements)	100,000
g)	Geologist 6 months (log, sample core write reports)	135,000
	TOTAL ESTIMATED COST FOR THE ABOVE EXPLORATION WORK	**$ 2,242,500**

The Company reserves the right to change any portion of the development program without notification. Pricing is subject to change based on formal quoting of each component of the work program.

In addition, the following surface exploration should be considered to bring the surface information up to date and enhance the value of the property. This drilling program tests the Blue Vein from 25m above the bottom of the Exchequer workings to 50m down dip. The Exchequer will be test from the bottom of the lowest drift to 50m. Limited testing will be done at the 75m and 100m levels for both veins.

This would include mapping and sampling along the Long Canyon type geology found on the west side of the Cherry Creek Property with Estimated cost for 1 geologist for 3 months of $ 75,000. In addition one or more geologist would map all of the other Viscount claims, GPS all of the old excavations, shafts and trenches, take rock chip samples and hire Carlin Trend Geological Services to take reconnaissance MMI soil samples over the most prospective parts of the claim block. Estimate cost of this work would be approximately $125,000.

The final estimated cost would be $ 2,242,500.

5. Financial Data

Viscount Mining Corp (formerly Faith Spring Venture Inc.) was incorporated under the British Columbia Business Corporations Act on October 26, 2011 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV").

On July 23, 2013, the Company completed a share exchange (the "Share Exchange") with Viscount Mining Resources Ltd. ("Viscount") and all of the shareholders of Viscount, whereby the Company acquired all of the issued and outstanding common shares of Viscount and former Viscount's shareholders received equal number of common shares of the Company.

Concurrent with the Share Exchange, the Company changed its name to Viscount Mining Corp. and completed a consolidation of its common shares on the basis of one post-consolidation share for every two pre-consolidation shares, as approved by TSXV. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation. For accounting purposes, the Share Exchange has been treated as a RTO, whereby Viscount is considered the acquirer and the Company is considered the acquiree. The consolidated financial statements are a continuation of the financial statements of Viscount and references of the Company will mean the combined entity subsequent to the Share Exchange on July 23, 2013 and to Viscount prior to July 23, 2013.

The following selected financial information is derived from the audited consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS").

Results of Operations - Selected Quarterly Information

Overall Performance

During the three month period ended February 28, 2014, the Company incurred a net loss of $255,180 (February 28, 2013 $112,509). At February 28, 2014 the Company had cash and cash equivalents of $170,393 (August 31, 2013, $281,801) and a working capital of $224,991 (August 31, 2013, $523,965).

Summary of Results for each of the last eight quarters are set out in the table below:

	Three month period ending February 28, 2014	Three month period ending November 30, 2013	Three month period ending August 31, 2013	Three month period ending May 31, 2013
	$	$	$	$
Total assets	1,131,925	1,314,873	1,431,244	1,088,791
Working capital	224,991	339,286	523,965	199,722
Shareholders' equity	928,045	1,025,265	1,196,880	852,517
Revenues	-	-	-	-
Net loss	(255,180)	(311,459)	(653,586)	(147,126)
Loss per share	(0.01)	(0.02)	(0.04)	(0.01)

	Three month period ending February 28, 2013	Three month period ending November 30, 2012	Three month period ending August 31, 2012	Three month period ending May 31, 2012
	$	$	$	$
Total assets	846,498	951,019	629,842	588,026
Working capital/(deficiency)	158,318	392,415	132,814	(111,677)
Shareholders' equity	655,900	768,409	497,733	370,625
Revenues	-	-	-	-
Net loss	(112,509)	(167,525)	(106,892)	(76,359)
Loss per share	(0.01)	(0.01)	(0.01)	(0.01)

Results of Operations, for the six months ended February 28, 2014, compared with the six months ended February 28, 2013.

For the six month ended February 28, 2014, the Company incurred a net loss of $566,639 (February 28, 2013 - $280,034) an increase of $286,605 of which $197,804 was for the accounting valuation for stock options issued during the quarter. Further explanations of the increase are:

- Share based payments $197,804 (February 28, 2013 - $Nil) for 1,499,800 options issued to officers and directors of the Company during the quarter. The fair value of the stock options has been estimated using the Black-Scholes Option Pricing Model and recorded as an operating cost of the Company and an increase to Equity Reserves.

- Consulting $247,603 (February 28, 2013 - $163,707) an increase of $83,896 primarily due to timing of consulting agreements.

- Promotion $26,990 (February 28, 2013 - $2,942) an increase of $24,048 primarily due to short term contracts to increase the profile of the Company

- Office and miscellaneous expenses including transfer agent fees, filing fees, finance charges and insurance and other filing fees $23,751 (February 28, 2013 - $15,859) an increase of $7,892 primarily

due to transfer agent and filing fees related to the Company's reporting requirements and finance charges.

Partially offset by:

- Legal and accounting $50,016 (February 28, 2013 - $65,156) a decrease of $15,140 primarily due to the auditing services have been consolidated with one company.

- Travel $20,475 (February 28, 2013 - $32,370) a decrease of $11,895 primarily due to a general reduction in costs.

Share Capital

As at February 28, 2014 the total issued and outstanding share capital is 19,525,000 common shares with no par value (August 31, 2013 – 19,525,000).

On July 23, 2013, the TSXV approved the share consolidation on a one new common share without par value for every two existing common shares without par value basis.

Authorized

At February 28, 2014 the authorized share capital consists of an unlimited number of common shares without par value and without special rights or restrictions attached and an unlimited number of preferred shares without par value and with special rights or restrictions.

Issued and Outstanding

As at February 28, 2014 the total issued and outstanding share capital is 19,525,000 common shares with no par value (August 31, 2013 – 19,525,000).

Share capital transactions of the Company to February 28, 2014, are summarized as follows:

On July 23, 2013, the former shareholders of Viscount received one common share of the Company for each common share of Viscount held related to the completion of the Share Exchange.

During the year ended August 31, 2013, the Company issued a total of 6,895,000 common shares for total proceeds of $1,379,000, of which $195,000 of the proceeds were received during the year ended August 31, 2012, and $285,000 of the proceeds are receivable as at August 31, 2013. The Company paid cash commission of $2,200 related to this issuance.

On July 23, 2013, a total of 1,600,000 founder shares of the Company were cancelled for consideration of $Nil.

On March 24, 2013, the Company issued 375,000 common shares valued at $75,000 related to the Cherry Creek 1 Property.

On July 10, 2012, the Company issued 420,000 common shares for total proceeds of $84,000.

On November 18, 2011, the Company cancelled and returned to treasury 150,000 common shares in the amount $15,000 in relation to share subscriptions which were receivable as of August 31, 2011.

On November 17, 2011, the Company issued 200,000 common shares to settle $40,000 related to overpayment of share subscriptions amounts.

On November 17, 2011, the Company issued 2,175,000 common shares for total proceeds of $229,000 of which share subscriptions in the amount of $139,000 were received in advance. Of this total amount, 200,000 shares were issued at $0.02 per common share for total proceeds of $4,000, 1,700,000 shares were issued at $0.10 per common share for total proceeds of $170,000 and 275,000 shares were issued at $0.20 per common share for total proceeds of $55,000.

On October 3, 2011, the Company issued 100,000 common shares for total proceeds of $20,000.

Escrow Shares

As at February 28, 2014, a total of 4,860,000 (August 31, 2013 – 4,860,000) common shares of the Company were in escrow. Pursuant to the terms of the escrow agreement dated February 13, 2013, 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. These shares have been excluded from the calculation of weighted average common shares outstanding.

Warrants

As at July 23, 2013, the date of the RTO, the Company had 100,000 share purchase warrants outstanding with an exercise price of $0.20.

The following is a summary of the changes in the Company's share purchase warrants for the six months ended February 28, 2014 and the year ended August 31, 2013:

	November 30, 2013		August 31, 2013 (Audited)	
	Number of warrants outstanding	Weighted average exercise price $	Number of warrants outstanding	Weighted average exercise price $
Outstanding, beginning of year	100,000	0.20	-	-
Warrants outstanding upon RTO	-	-	100,000	0.20
Outstanding, end of year	100,000	0.20	100,000	0.20

Reserves

Warrant reserve, the warrants reserve represents the fair value of warrants issued on their issue date until such time that they are exercised, at which time the corresponding amount will be transferred to share capital. If warrants expire unexercised, the amount recorded remains in the account.

Option reserve, the options reserve records the fair value of items recognized as share-based payment expense on their issuance date until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If options expire unexercised, the amount recorded remains in the reserve.

Stock Option Plan

On April 4, 2012, the Company adopted a stock option plan (the "Plan") that allows the Company to issue options to certain directors, officers, employees and consultants of the Company. Options issued under the Plan shall not exceed 10% of shares issued and outstanding at the time of granting of the options. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the shares (defined as the last closing market price of the Company's shares on the last day shares are traded prior to the grant date), less the applicable discount permitted by the TSXV rules. Stock options granted under the Plan vest immediately subject to vesting terms, which may be imposed at the discretion of the directors.

As at July 23, 2013, the date of the RTO, the Company had 200,000 stock options outstanding with an exercise price of $0.20.

On August 21, 2013, the Company granted 1,250,000 five-year stock options at a purchase price of $0.20 per share to its directors and officers. The weighted average fair value of the 1,250,000 options granted was estimated at $233,762 at the grant date using the Black-Scholes Option Pricing Model, of which $13,092 has been expensed during the year ended August 31, 2013. And $175,636 is expensed during the six months ended February 28, 2014.

The fair value of the stock options has been estimated using the Black-Scholes Option Pricing Model assuming a risk free interest rate of 1.79% per annum, an expected life of 5.00 years, an expected volatility of 163.27%, and no expected dividend. The expected volatility was determined using the average historical volatility of similar listed entities on the basis that the Company has limited historical information.

On September 2, 2013, the Company granted 150,000 five-year stock options at a purchase price of $0.20 per share to its directors and officers. The weighted average fair value of the 150,000 options granted was estimated at $28,209 at the grant date using the Black-Scholes Option Pricing Model, of which $22,168 has been expensed during the six months ended February 28, 2014.

The fair value of the stock options has been estimated using the Black-Scholes Option Pricing Model assuming a risk free interest rate of 1.79% per annum, an expected life of 5.00 years, an expected volatility of 166.65%, and no expected dividend. The expected volatility was determined using the average historical volatility of similar listed entities on the basis that the Company has limited historical information.

The following is a summary of the changes in the Company's stock options for the six months ended February 28, 2014, and August 31, 2013:

	Number of Options Outstanding	Weighted average exercise price for the Six Months Ended February 28, 2014	Number of Options Outstanding	Weighted average exercise price for the Six Months Ended August 31, 2013
		$		$
Outstanding, beginning of year	1,450,000	0.20		-
Options outstanding upon RTO	-	-	200,000	0.20
Expired options	(100,200)	0.20	-	-
Granted	150,000	0.20	1,250,000	0.20
Outstanding, end of year	1,499,800	0.20	1,450,000	0.20

Share Exchange

The Company completed the Share Exchange with Viscount on July 23, 2013. Pursuant to the Share Exchange, the Company acquired all of the issued and outstanding common shares of Viscount whereby former Viscount's shareholders received one common share of the Company for each Viscount common share held.

As a result of the Share Exchange, the shareholders of Viscount owned approximately 87% of the issued and outstanding common shares of the Company on a diluted basis. For accounting and reporting purposes, Viscount is the accounting acquirer and the Company is the accounting acquiree because of the significant holdings and influence of the control group of Viscount before and after the Share Exchange. The Company did not meet the definition of a business for accounting purposes because it is a shell company with no ongoing business operations and, accordingly, the RTO has been accounted for as a share-based payment transaction. As a result, the difference between the fair value of the consideration deemed to have been paid by the accounting acquirer and the fair value of the identifiable net assets of the accounting acquiree is expensed.

The results of operations of the Company are included in the consolidated financial statements from July 23, 2013, the date of the RTO.

The net assets acquired at fair value on July 23, 2013 are as follows:

Description	**Amount $**
Consideration paid	
2,250,000 common shares	450,000
200,000 stock options	40,000
100,000 warrants	20,000
	510,000
Less: Value of Net Assets	
Cash	54,440
Trade payables	(9,544)
	44,896
Listing expense	465,104

The fair values of the stock options and warrants have been estimated using the Black-Scholes Option Pricing Model assuming a risk free interest rate of 1.14% per annum, an expected life ranging from 1.26 to 9.27 years, an expected volatility ranging from 135.77% to 162.97%, and no expected dividend. The expected volatility was determined using the average historical volatility of similar listed entities on the basis that the Company has limited historical information.

Liquidity and Capital Resources

At February 28, 2014, the Company had cash of $170,393 (August 31, 2013, $ 281,801), amounts receivable and advances of $106,952 (August 31, 2013, $320,686), accounts payable of $52,354 (August 31, 2013, $78,522) and due to related parties $151,526 (August 31, 2013, $155,842). The accounts payable are due within six months.

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, and maintain its resource interests. This will require the Company to obtain additional financing. The Company invests surplus cash in guaranteed investment certificates with Bank of Montreal and faces no known liquidity issues.

During the six months ended February 28, 2014, the Company raised $100,000 through share subscriptions received in advance of issuing shares.

The Company's main source of funding has been through equity issuances, and is currently offering 10,000,000 shares in a private placement at $0.20 to raise $2 million. The proceeds of the private placement will be used to continue development of the Company's Properties located in Nevada, and for general working capital purposes. The Private Placement is subject to TSX Venture Exchange approval. The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Exploration and Evaluation Properties

During the six months ended February 28, 2014, the Company expended $25,823 (for the year ended August 31, 2013, $352,066) net of $154,275 received from the first installment of $154,275 (US$150,000) from the sale of an undivided 100% right, title and interest in and to all tungsten located on certain of the Company's mining claims in the State of Nevada.

A summary of the changes in the Company's exploration and evaluation properties for the six months ended February 28, 2014, and the year ended August 31, 2013 are as follows:

	As at February 28, 2014	As at August 31, 2013 (Audited)
	$	$
Balance beginning of year	828,757	476,691
Property acquisition	6,610	154,550
Staking new claims and claim maintenance	713	114,377
Consulting (Note 6)	18,500	88,604
Exploration	-	148,810
Legal fees	-	-
Option payment received	-	(154,275)
Balance	854,580	828,757

Commitments and Contingency

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements.

The Company is committed to making cash repayments pursuant to its related party promissory note agreements.

The Company is disputing the attempt of a third party to charge certain consulting charges in the amount of $2,820. Management does not consider these amounts to be payable and these amounts have not been recorded

in the condensed interim consolidated financial statements. However, there is no assurance that a formal claim will not be made against the Company for some or all of these amounts in the future.

Off-Balance Sheet Arrangements

There were no off-balance sheet arrangements as at February 28, 2014, or for the period then ended.

Transactions with Related Parties

As at February 28, 2014,, the balance due to related parties, who are officers, directors and/or shareholders, consists of $151,526 (August 31, 2013 - $155,842). Amounts owing relate to consulting services provide by the related parties or by companies controlled by the related parties and for expense reimbursements. On February 28, 2013, the Company entered into promissory note agreements with various related parties, whereby each balance payable is unsecured, bears interest of 8% per annum and matures on January 1, 2015. See table below:

Related Parties	Promissory note	Accounts payable for services	February 28, 2014	August 31, 2013 (Audited)
	$	$	$	$
Chief Executive Officer/Director	9,821	(10,000)	(179)	17,277
Chief Financial Officer	7,964	5,250	13,214	12,907
Chief Geologist	5,412	(1)	5,411	12,199
Director for consulting services	21,433	5,749	27,182	20,601
Director for legal services	52,419	53,479	105,898	92,858
	97,049	54,477	151,526	155,842

During the six months ended February 28, 2014, the Company accrued interest of $5,095 (February 28, 2013 - $Nil) related to the promissory notes.

The key management personnel compensation is summarized as follows:

	February 28, 2014	August 31, 2013 (Audited)
	$	$
Accounting fees	30,000	60,000
Consulting fees	145,000	280,300
Legal fees	11,742	61,925
	186,742	402,225

During the six months ended February 28, 2014, a total of $40,000 (six months ending February 28, 2013 - $30,000) related to consulting fees are capitalized in exploration and evaluation properties.

Critical Accounting Policies

The condensed interim consolidated financial statements of the Company, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International

Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the six months ended February 28, 2014,.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Foreign Currencies

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which they operate.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Exploration and Evaluation Expenditures

The Company records deferred exploration costs, which consist of costs attributable to the investment in and exploration of resource property interests, at cost. All direct and indirect costs relating to the acquisition and exploration of the resource interests, net of recoveries, are capitalized on the basis of specific claim blocks until the resource interests to which they relate are placed into production, the resource interests are disposed of through sale or where management has determined there to be an impairment.

On an ongoing basis, the capitalized costs are reviewed on a property-by-property basis to consider whether there are any conditions that indicate impairment on the subject property. When such conditions are identified, an impairment loss is recognized for the difference between the fair value and carrying value.

Impairment

The Company's tangible and intangible assets are reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in net income (loss). In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Restoration and Environmental Obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a

pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to net income (loss) for the period. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to net income (loss) in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

Financial risk management

The Company has exposure to credit risk, liquidity risk, foreign currency risk, and market risk from its use of financial instruments.

The following presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents. The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions.

The carrying value of the Company's cash and cash equivalents represent the maximum exposure to credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company's cash and cash equivalents are currently invested in business and savings accounts with high-credit quality financial institutions which are available on demand by the Company for its programs. As at February 28, 2014, the Company had cash and cash equivalents balance of $170,393 to settle current liabilities of $52,354. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest Rate Risk

The Company is subject to interest rate risk with respect to its investments in cash. However, the Company does not hold any interest-bearing debt. The Company's current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash balances mature impact interest income earned.

Foreign Currency Risk

As at February 28, 2014, the Company's expenditures are in Canadian dollars, any future equity raised is expected to be predominantly in Canadian dollars. The Company believes it has no significant foreign currency risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. The Company manages its capital structure through the issuance of new shares, acquisition or disposition of assets or adjustment of cash. The Company does not have any major capital expenditures committed for the coming year. Management reviews the capital structure on a regular basis to ensure that the above-noted objectives are met. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements other than disclosed in the Financial Statement notes.

Fair Value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

Risk Factors

No History of Earnings

The Company has no history of earnings. The Company's properties are in the exploration stage of development. Additional external financing will be required to develop these properties further. There can be no assurances that any of the Company's properties will ever contain an economic ore body.

None of the Company's properties are currently in production, and although the Technical Report indicates mineral resources, there can be no assurance that any proven or probable mineral reserves will be discovered or that any particular level of recovery of minerals will in fact be realized or that an identified mineral reserve or mineral resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The Company's ability to continue operations and fund its liabilities is dependent on management's ability to secure additional financing. Although the Company has been successful in pursuing additional sources of financing in the past, there can be no assurance it will be able to do so in the future. There can be no assurances that additional funding will be available, or available under terms favorable to the Company, or at all.

Title Risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Until competing interests, if any, in the mineral lands have been determined, the Company can give no assurance as to the validity of title to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals the Company may acquire or discover may be affected by numerous factors that are beyond its control and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, the import and export of minerals and environmental protection, the combination of which factor may result in the Company not receiving an adequate return of investment capital.

All of the claims in which the Company has acquired or has a right to acquire an interest are in the exploration /development stage only and are without a known commercially-mineable ore body. Development of the subject mineral properties would follow only if favorable exploration results are obtained.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of its operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company is required to obtain required permits from various government departments to carry out its work programs. There is no guarantee that all required permits will be granted on terms satisfactory to the Company, or at all. If such permits are not received, the Company may not be able to carry out or complete its business objectives.

Loss of Foreign Issuer Status

The Company may at some future date determine that it has ceased to qualify as a "foreign private issuer" for the purposes of United States federal securities laws. This determination is performed each year as of June 30, being the last business day of its second fiscal quarter. Should this occur, the Company would not be able to avail itself of the rules and forms designated for foreign private issuers until the Company is able to once again establish its qualification as a foreign private issuer. Absent registration under the U.S. Securities Act, under most circumstances, securities issued by the Company during such times as that the Company fails to qualify as a "foreign private issuer," would be "restricted securities" for the purposes of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and would be issued with a U.S. restrictive legend, regardless of whether they are issued in an "offshore transaction" pursuant to Regulation S, or are issued in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Company's inability to issue securities outside the United States without resale restrictions imposed by the U.S. Securities Act and regulations thereunder may make it difficult or impossible to complete securities offerings on favorable terms, or at all.

Uninsured or Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have a material adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Operating Hazards and Risks

Mineral exploration and development involves risks which even a combination of experience, knowledge and careful examination may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, developments and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The nature of these risks is such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable or the Company may elect not to insure itself against such

liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Environmental Risks, Regulations, Permits and Licenses and Other Regulatory Requirements

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The Company's operations, including development activities and commencement of production on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws, and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that the Company obtains permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or at all or that such laws and regulations will not have an adverse effect on any mining project which it might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fine or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Competition

The mining industry is intensely and increasingly competitive in all its phases, and the Company will compete with other companies that have greater financial and technical resources. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and operated economically and businesses compete for the technical expertise to find, develop, and operate such properties, the skilled labor to operate the properties and the capital for the purpose of financing development of such properties. Such competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties.

Dependence on Management

The Company is largely dependent on the performance of its directors and officers. There is no assurance the Company will be able to maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of any of these persons could have a material adverse effect on the Company and its prospects.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist at the time of sale. Factors beyond the Company's control may affect the marketability of metals or minerals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, and the Company will be affected by numerous factors beyond its control. The effect of these factors on the Company's operations cannot be predicted. If mineral prices decline significantly, it could affect the Company's decision to proceed with further exploration of its properties.

Future Financing

The Company's continued operation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms to the Company, if at all. Failure to obtain additional financing on a timely basis may result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in some or all of the Company's properties. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to further explore and develop its properties, take advantage of other opportunities, or otherwise remain in business. Events in the equity market may impact the Company's ability to raise additional capital in the future. The Company's loss of "foreign private issuer" status under US securities law may also adversely affect future financings.

Future Acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies, assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions competed will ultimately benefit its business.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in generating revenues, cash flows or earnings.

Conflicts of Interest

Certain directors and officers of the Company will and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions

or opportunities where the other interests of these directors and officers may conflict with the interest of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow procedures set out in applicable corporate and securities legislation, regulation, rules and policies

Reliability of Historical Information

The Company has relied, and the Technical Report is based, in part, upon historical data compiled by previous parties involved with the Cherry Creek Properties. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Dividends

The Company has never paid a dividend on its common shares or preferred shares. It is not anticipated that the Company will pay any dividends on its common shares or preferred shares in the foreseeable future.

Adverse fluctuations in currency exchange rates

The Company will maintain most of its working capital in Canadian and United States dollars. However, a significant portion of the Company's operating costs are incurred in United States dollars. Accordingly, the Company will be subject to fluctuations and volatility in the rates of currency exchange between the Canadian dollar, and United States dollar and these fluctuations could materially affect the Company's financial position and results of operations as costs may be higher than anticipated. The costs of goods and services could increase due to changes in the value of the Canadian dollar, or the United States dollar. Consequently, operation and development of the Company's properties might be more costly than the Company anticipates.

Current Global Economic Conditions

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase its cost of capital. Failure to raise capital when needed or on reasonable terms may have a material adverse effect on the Company's business, financial condition and results of operations.

An investment in the Company will involve a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this MD&A in evaluating the Company and its business before making any investment decision in regards to the Company's Common Shares. The Company's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair its business operations.

Mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to conduct its planned exploration, meet its administrative overhead and maintain its resource interests.

Going concern

The Company's ability to continue as a going concern is dependent on its ability to secure additional financing to fund planned exploration and its ongoing administrative expenditures, and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

Market for Common Shares

There can be no assurance that an active trading market in the Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of its peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Common Shares.

Additional Information

Reference is made in this MD&A to the Company's financial statements for the relevant periods as filed on the Company's profile on the SEDAR website at www.sedar.com and at the Company's web site

at www.viscountmining.com where additional disclosure relating to the Company is located. Readers are strongly encouraged to review such additional disclosure.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

For further information, please contact: Viscount Investor Relations Email: info@viscountmining.com Phone: 604-960-0535.