NEXGEN ENERGY LTD. (formerly Clermont Capital Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS AT AND FOR THE YEAR ENDED JANUARY 31, 2013, AND FOR THE PERIOD FROM INCORPORATION ON MARCH 8, 2011 TO JANUARY 31, 2012.

Dated: May 29, 2013

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of NexGen Energy Ltd. (formerly Clermont Capital Inc.) (the "Company" or "Clermont") for the year ended January 31, 2013 and is prepared as at May 28, 2013. This MD&A should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended January 31, 2013 and the period from incorporation on March 8, 2011 to January 31, 2012 and the notes thereto ("Financial Statements") which were prepared in accordance with International Financial Reporting Standard ("IFRS"). Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by this MD&A, and the Financial Statements together with the other financial information included in this MD&A fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. The Board of Directors' approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward looking statements include but are not limited to statements concerning:

- The Company's success at completing future financings
- The Company's strategies and objectives
- The Company's costs and other financial operating objectives
- The availability of qualified employees for business operations
- General business and economic conditions
- The Company's ability to meet its financial obligations as they become due
- The positive cash flows and financial viability of new business opportunities
- The Company's ability to manage growth with respect to a new business opportunity
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company

Readers are cautioned that the preceding lists of risks, uncertainties, assumptions and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by these forward looking statements. The forward-looking statements contained in this document are made as of the date hereof. Accordingly, readers should not place undue reliance on forward-looking statements.

OVERVIEW

On July 12, 2012, Clermont obtained acceptance by the TSX Venture Exchange (the "Exchange") of the Company's Capital Pool Company Prospectus dated July 10, 2012; and as a result the Company was classified as a Capital Pool Company as defined in the Exchange Policy 2.4. The Company's shares were listed on the Exchange on August 29, 2012 and trade under the symbol "XYZ.P". The Company would not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 8, 2011. The Company's head office and registered and records office address is 1600 – 609 Granville Street, Vancouver, British Columbia, Canada V7Y 1C3.

On April 19, 2013, the Company consolidated its common shares on a one new share for 2.35 old share basis and completed its QT. The QT was effected pursuant to an amalgamation agreement (the "Amalgamation Agreement") among Clermont, 0957633 B.C. Ltd., a wholly-owned subsidiary of Clermont and NexGen Energy Ltd. ("NexGen") dated as of December 31, 2012. Pursuant to the Amalgamation Agreement, the shareholders of NexGen were issued one common share of Clermont (on a post-Share Consolidation basis) for every one NexGen common share held immediately prior to the completion of the amalgamation (the "Amalgamation"); being 76,127,429 common shares.

Following Exchange approval, on April 23, 2013, the Company is now a Tier 2 Issuer classified as a mineral exploration and exploration company, commenced trading under the symbol "NXE", and is principally engaged in the business of exploration and exploration of high potential mineral properties.

The acquisition of NexGen was a reverse takeover as such term is used in applicable securities laws. Subsequent to the completion of the Amalgamation, NexGen (as the Continuing Entity) will continue to be a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Additionally, the Company's first year end after the transaction will be December 31, 2013.

In connection with the QT, the Company changed its name to NexGen Energy Ltd..

Following the Company's reverse takeover by NexGen Energy Limited ("NexGen") on April 19, 2013, being the Company's Qualifying Transaction, the Company is now operating as an exploration and exploration company of high potential mineral properties, with a focus of the Radio Project located in the Athabasca Basin of Saskatchewan. In conjunction with its Qualifying Transaction, the Company completed a financial restructuring and concurrent financing which resulted in the accumulation of sufficient capital for the Company to undertake its planned exploration activities.

The appointment of a new management team and board of directors was completed subsequent to the Company's year end and the Company is now in a position to implement the recommended work program on NexGen's Radio Project, as well as exploration of NexGen's Rook I, Thorburn and Dufferin Lake projects.

ANNUAL INFORMATION[1]:

	For the year ended January 31, 2013	**For the period from incorporation on March 8, 2011 to January 31, 2012**
Revenue	**$ -**	$ -
Loss and comprehensive loss for the period	**$ (236,666)**	$ (20,065)
Loss per share [2,3]	**$ (0.06)**	$ (0.01)
Total assets	**$ 1,066,163**	$ 819,935
Total liabilities	**$ 57,582**	$ 110,000

1-*The information presented is derived from the Company's audited Consolidated Financial Statements for which the financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS").*

2- The weighted average number of common shares outstanding used for the calculation of loss per share, excludes the 1,531,915 contingently cancellable common shares (see Share Capital section for further details).

3 - On April 19, 2013, the Company consolidated its common shares on a one new share for 2.35 old share basis. All share, and per share amounts have been shown on a post-consolidated basis.

SUMMARY OF QUARTERLY RESULTS[1]

	4th Quarter Ended January 31, 2013	3rd Quarter Ended October 31, 2012	2nd Quarter Ended July 31, 2012	1st Quarter Ended April 30, 2012
(a) Revenue	$ -	$ -	$ -	$ -
(b) Loss for the period	$ (152,037)	$ (65,803)	$ (18,806)	$ (20)
(c) Loss per share [2,3,4]	$ (0.03)	$ (0.01)	$ 0.00	$ 0.00
	4th Quarter Ended January 31, 2012	**3rd Quarter Ended October 31, 2011**	**2nd Quarter Ended July 31, 2011**	**1st Quarter from incorporation on March 8 to April 30, 2011**
(a) Revenue	$ -	$ -	$ -	$ -
(b) Loss for the period	$ (10,021)	$ (32)	$ (10,012)	$ -
(c) Loss per share [2,3]	$ 0.00	$ 0.00	$ 0.00	$ 0.00

1 *Financial information prepared in accordance with International Financial Reporting Standards ("IFRS")*

2 *The weighted average number of common shares outstanding used for the calculation of loss per share, excludes the 1,531,915 contingently cancellable common shares held in escrow (see Share Capital section for further details).*

3 *Numbers have been rounded to the next decimal for presentation purposes*

4 *On April 19, 2013, the Company consolidated its common shares on a one new share for 2.35 old share basis. All share, and per share amounts have been shown on a post-consolidated basis.*

Following the Exchange's acceptance of the Company's Capital Pool Company Prospectus dated July 10, 2012, on July 12, 2012, the Company begun its search for a Qualifying Transaction. The losses from incorporation on March 8, 2011 to the 2nd quarter ended July 31, 2012 relate to professional, regulatory filing and transfer agent fees associated with the Company's Initial Public Offering ("IPO") that completed on August 29, 2012 and costs associated with maintaining a public company. The increase in loss for the 3rd and 4th quarter of fiscal 2013, relate to legal costs associated with the Company's Qualifying Transaction which completed on April 19, 2013, together with share-based compensation of $83,332.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JANUARY 31, 2013

During the first three months ended January 31, 2013 the Company had no income and incurred $152,037 in expenses, resulting in a loss of $152,037. These costs consisted of $48,451 in professional fees relating mostly to legal fees for the recently completed Qualifying Transaction, $57,943 in share-based compensation relating to vesting of stock options, $37,435 in transfer agent and filing fees relating to share transactions, and $8,208 of general and administration expenses.

In the comparative period of 2012, the Company incurred had no income, incurred $10,012 in expenses, resulting in a loss of $10,012. Professional fees accounted for $10,000 of these costs.

RESULTS OF OPERATIONS FOR THE TWELVE MONTHS ENDED JANUARY 31, 2013

The following is an analysis of the Company's operating results for the twelve months ended January 31, 2013, and includes a comparison against the period from incorporation on March 8, 2011 to January 31, 2012.

Revenue:

The Company has no sources of revenue as its primary business operation was the pursuit of an acquisition and/or participation in new business opportunity in order to complete a Qualifying Transaction as required under Exchange Policy 2.4.

Expenses:

General & administrative expenses for the twelve months ended January 31, 2013 were $10,218 compared to $65 for the period from incorporation on March 8, 2011 to January 31, 2012.

Professional fees for the twelve months ended January 31, 2013 were $88,353 compared to $20,000 for the period from incorporation on March 8, 2011 to January 31, 2012. The 2013 costs relate primarily to legal costs associated with the Company's subsequently completed Qualifying Transaction.

Share-based compensation for the twelve months ended January 31, 2013 was $83,332 compared to $Nil for the period from incorporation on March 8, 2011 to January 31, 2012. The share-based compensation for the year ended January 31, 2013 relates to the costs associated with the vesting of stock options granted on August 29, 2012.

Transfer agent and filing fees for the twelve months ended January 31, 2013 were $54,763 compared to $Nil for the period from incorporation on March 8, 2011 to January 31, 2012. These fees are a result of the Company's completed share transactions during the year (see the "Share Capital" section of this MD&A for details on the share transactions).

Loss and comprehensive loss for the year

The loss and comprehensive loss for the twelve months ended January 31, 2013 was $236,666 as compared to $20,065 for the period from incorporation on March 8, 2011 to January 31, 2012. The increase in loss of $216,601 relates to the professional fees associated with the Company's Qualifying Transaction which completed subsequent to the year end, transfer agent and filing fees associated with the Company's share transactions, together with the Company's $83,332 of share-based compensation expense.

SHARE CAPITAL

Authorized:

Unlimited common shares with no par value and unlimited preferred shares with no par value.

As at January 31, 2013, the Company had 6,723,405 common shares issued and outstanding (January 31, 2012 - 4,595,745). As at the date of this MD&A, the Company has 82,850,834 common shares outstanding. The increase in common shares is primarily attributable to the Company's QT.

Share consolidation

Effective April 19, 2013, the Company consolidated its capital on a one new share for 2.35 old share basis. All share and per share amounts presented in these financial statements have been retroactively restated and are shown on a post-consolidated basis.

Issuances:

During the year ended January 31, 2013, the Company issued 2,127,660 common shares at $0.235 per share for total gross proceeds of $500,000. In connection with this financing, the Company paid share issuance costs of $48,020 and issued 127,660 agent options with a fair value of $15,794. These options are exercisable at $0.235 per option until August 29, 2014.

During the period ending January 31, 2012, the Company issued 2,978,723 common shares at $0.1175 per share and 1,617,021 common shares at $0.235 per share for total gross proceeds of $730,000. The Company received a $100,000 deposit from an investor for this private placement, after which the investor decided not to participate in the financing. This deposit was refunded by the Company during the year ended January 31, 2013.

Subsequent to the period, the Company issued 76,127,429 common shares as part of its Qualifying Transaction, being the acquisition of NexGen Energy Ltd. 6,307,016 share purchase warrants were also issued as part of the QT, having an exercise price of $0.60 and an weighted average remaining life of 1.67 years.

Escrow shares:

As at January 31, 2013, 3,808,511 (January 31, 2012 – 3,808,511) of the Company's common shares are in escrow and will be released on a pro-rata basis to the shareholders as to 10% of the escrow shares upon issuance of notice of final acceptance of a Qualifying Transaction by the Exchange (received on April 23, 2013) and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt without the consent of the regulatory authorities. As at the date of this MD&A, 380,851 shares were released from escrow.

1,531,915 of these escrow shares are considered contingently cancellable until such time as the Company completes the Qualifying Transaction and accordingly they are not considered to be outstanding shares for the purpose of the loss per share calculations. Subsequent to year end, the QT was completed and the 1,531,915 escrow shares are no longer contingently cancellable.

As part of the Company's Qualifying Transaction that occurred subsequent to the Company's year end, and pursuant to the terms of a Tier 2 value security agreement among the Company, Computershare Investor Services Inc. and certain security holders, an aggregate of 39,626,266 common shares have been placed in escrow, whereby 10% were released immediately upon the issuance of the TSXV bulletin evidencing final acceptance of the Qualifying Transaction and the balance of such securities will be released in equal tranches of 15% every six months thereafter.

Stock Options:

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 672,340 common shares until the time where the Company has completed its Qualifying Transaction. Once the Company has completed its Qualifying Transaction the Company is authorized to grant up to 10% of the issued and outstanding common stock of the Company. Options granted under the Company's stock option plan have a maximum term of 10 years and vest on terms determined at the discretion of the Company's Board of Directors.

A summary of the Company's stock option activity is as follows:

	Number of Options Outstanding	Weighted Average Exercise Price
Balance, March 8, 2011	-	$ -
Option granted	404,255	$ 0.235
Balance, January 31, 2012	**404,255**	**$ 0.235**
Options granted	268,085	$ 0.235
Balance, January 31, 2013	**672,340**	**$ 0.235**
Options granted	4,950,000	$ 0.400
Balance as at the date of this MD&A	**5,622,340**	**$ 0.380**

These options vest equally three, six, nine and twelve months after August 29, 2012. Any common shares acquired pursuant to the exercise of stock options prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

At the date of this MD&A, stock options outstanding are as follows:

Number of options Outstanding	Number of options Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Life in years
5,622,340	1,986,170	$0.38	2.18

The Company recognizes compensation expense for all stock options granted using the fair value based method of accounting. The fair value of the options vested during the year ended January 31, 2013 was $83,332 (from incorporation on March 8, 2011 to January 31, 2012 was $Nil). The weighted average fair value of options granted during the year ended January 31, 2013 was $0.175 (from incorporation on March 8, 2011 to January 31, 2012 was $Nil).

The following weighted average assumptions were used for the Black-Scholes valuation of the stock options granted during the period:

	January 31, 2013	January 31, 2012
Risk-free interest rate	1.25%	N/A
Expected life of options	5 years	N/A
Annualized volatility	100%	N/A
Dividend rate	0%	N/A
Forfeiture rate	0%	N/A

Agent Options:

A summary of the Company' agents option activity is as follow:

	Number of options outstanding	Weighted Average Exercise Price
Balance, March 31, 2011 and January 31, 2012	-	$ -
Granted	127,660	$ 0.235
Balance, January 31, 2013	**127,660**	**$ 0.235**
Granted	494,117	$ 0.425
Balance, as at the date of this MD&A	**621,777**	**$ 0.386**

At the date of this MD&A, agent's options outstanding and exercisable are as follows:

Grant date	Number of options Outstanding and Exercisable	Weighted Average Exercise Price	Expiry Date	Remaining contractual life (years)
August 29, 2012	127,660	$ 0.235	August 29, 2014	1.25
April 19, 2013	494,117	$ 0.425	April 19, 2015	1.89
	621,777	$ 0.386		1.76

Not more than 50% of the aggregate number of common shares which may be received on the exercise of these agents' options may be sold by the agent prior to the completion of the Qualifying Transaction. The remaining 50% may be sold after the completion of the Qualifying Transaction. The fair market value of these agent options, being $15,794 have been included as part of the Company's share issuance costs.

The fair value of agent options was estimated at the grant date based on the Black-Scholes option pricing model. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions may have a material effect on the fair value of the Company's stock options. The following weighted average assumptions were used for the determination of the value of the agent options:

	January 31, 2013	**January 31, 2012**
Risk-free interest rate	1.25%	N/A
Expected life	2 years	N/A
Annualized volatility	100%	N/A
Dividend rate	0%	N/A

LIQUIDITY AND CAPITAL RESOUCES

As a Capital Pool Company, the Company was not permitted to carry on any business other than the identification and evaluation of potential opportunities that would be accepted as a Qualifying Transaction by the Exchange. Consequently, until such time as the Company completed its Qualifying Transaction, the Company had no sources of revenue. The Company's objective in managing liquidity risk is to maintain sufficient liquidity in order to meet operational and investing requirements at any point in time. The Company has financed its operations and met its capital requirements primarily through the sale of common shares by way of private placements.

The Company had an opening cash balance of $703,135 as at January 31, 2012. During the year ended January 31, 2013, the Company's operations consumed cash of $98,292, the Company completed a share issuance for gross proceeds of $500,000 and paid out $48,020 in share issuance costs; resulting in a cash balance as at January 31, 2013 of $1,056,823. At January 31, 2013, the Company has $1,008,581 of working capital (January 31, 2012 – $709,935) from which to meet its obligations and repay its

liabilities arising from general corporate matters and the identification and acquisition of a Qualifying Transaction.

Subsequent to the year end, the Company completed its Qualifying Transaction and is now a Tier 2 Issuer on the Exchange; classified as a mineral exploration and exploration company. Following the completion of its Qualifying Transaction, the Company holds interest in a number of early stage exploration projects; principally the Radio Project located in the Athabasca Basin of Saskatchewan. None of its projects are currently revenue producing or near production; consequently the Company expects to incur further losses in the near term as it proceeds with its exploration and evaluation activities. Following the Qualifying Transaction and concurrent financings, the Company has sufficient funds from which to undertake its planned exploration activities and administrative expenses for the next year.

As at the date of this MD&A, the Company's main source of liquidity consisted of cash and cash equivalents. The Company will likely require additional financing in the future to perform any future exploration, and if warranted acquisition and/or development of, its existing and/or potential future mineral exploration projects. Future funding may be obtained by means of issuing share capital, the exercise of warrants, the exercise of stock and/or agent options, the sale of assets, and/or debt financing. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company. These factors cast doubt about the Company's ability to continue as a going concern in the long term.

The Financial Statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. The accompanying financial statements do not reflect adjustments that may be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate, adjustments may be necessary to the carrying amounts and/or classification of assets and/or liabilities and the reported expenses in these financial statements. Such adjustments could be material.

RISKS AND UNCERTAINTIES

Resource exploration and evaluation is a 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 from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Exploration and Evaluation Efforts May Be Unsuccessful

There is no certainty that the expenditures to be made by the Company in the exploration of its properties as described herein will result in the discovery of mineralized material in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable deposits and no assurance can be given that any particular level of recovery of reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of mineral ultimately mined may differ from that indicated by drilling results. Short term factors relating to mineral reserves, such as the need for orderly development of mineral bodies or the processing of new or different grades, may also have an adverse effect on mineral exploration operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mineral exploration operations or to achieve self-sustaining commercial mining operations for several years. The Company has paid no dividends on its shares since inception and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities. Future additional equity financing would cause dilution to current shareholders.

No Proven Reserves

The properties in which the Company has an interest or the right to earn an interest are in the exploratory stage only and are without a known body of minerals in commercial production.

No Guarantee of Clear Title to Mineral Properties

While the Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties and properties in which it has the right to acquire or earn an interest are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Uncertainty of Obtaining Additional Funding Requirements

Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of its exploration and evaluation assets indicated in the statement of financial position depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs. The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to

continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

Mineral Prices May Not Support Corporate Profit

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of these resources. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Competition

The mining industry is intensively competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

Environmental Regulations

The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, require permits from various Provincial, Federal and State governmental authorities. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. 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. 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.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, 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 the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

Environmental Impact

The Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future and anticipates that such obligations will only arise when full scale development commences. As the Company's project is still in the exploration and development stage and no significant environmental impact has occurred to date, the Company does not currently consider that expenditures required meeting any ongoing environmental obligations at the projects material to its results or to financial condition to the Company at this time. However, these costs may become material in the future and will be reported in the Company's filings at that time.

Uncertainty of Reserves and Mineralization Estimates

There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metal prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of mineral bodies and the processing of new or different minerals, may materially and adversely affect reserves.

Operating Hazards and Risks Associated with the Mining Industry

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

The Ability to Manage Growth

Should the Company be successful in its efforts to develop its mineral properties or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipates that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of Dividend Policy

The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence of Key Personnel

The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading

The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors, corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, and Vice Presidents.

Remuneration attributed to key management personnel can be summarized as follows:

	Year ended January 31, 2013	Period from March 8, 2011 to January 31, 2012
Share-based compensation	**$ 83,332**	$ -

FINANCIAL INSTRUMENTS

Fair value

The Fair values of receivables and accounts payable and accrued liabilities approximate their carrying values due to their short term maturity. The Company's other financial instrument, cash, under the fair value hierarchy is recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below:

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company places its cash with institutions of high-credit worthiness. The Company's cash is currently held in Canadian based banking institutions, authorized under the Bank Act (Canada) to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. Management has assessed there to be a low level of credit risk associated with its cash balances. At January 31, 2013, the Company's receivable

balance consists of amounts outstanding on Input Tax Credit from Canada Revenue Agency. Therefore, the Company believes that there is minimal 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. At January 31, 2013, the Company has a cash balance of $1,056,823 (January 31, 2012 - $703,135) to settle current liabilities of $57,582 (January 31, 2012 - $110,000). As such, management believes the Company has sufficient cash to fund corporate overhead costs and the repayment of the Company's liabilities obligations for the next year. However, the Company has no sources of income, has not yet achieved profitable operations, and expects to incur further losses in the development of its business. Future funding may be obtained by means of issuing share capital, the exercise of stock and/or agent options or debt financing.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company's market risk exposures and the impact on the Company's financial statements are summarized below:

a. Interest rate risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates as at January 31, 2013 is immaterial.

b. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at January 31, 2013, the Company holds no financial instruments that are denominated in a currency other than Canadian dollars. Therefore, as at January 31, 2013, the Company is not exposed to currency risk.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(a) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year include:

i. Share-based payments

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate

ii. Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

(b) Critical accounting judgements

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the statements are, but are not limited to, the following:

i. Determination of functional currency

The functional and reporting currency of the Company is the Canadian dollar. The functional currency of the Company's wholly owned subsidiary, 0957633 B.C. Ltd. is also the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. The determination of functional currency involves certain judgments to determine the primary economic environment and the Company reconsiders the functional currency if there are changes in events and conditions of the factors used in the determination of the primary economic environment.

FUTURE ACCOUNTING PRONOUNCEMENTS

A number of new IFRS standards, amendments to standards and interpretations are not yet effective for the year ended January 31, 2013, and have not been applied in preparing these financial statements.

Effective for annual periods beginning on or after July 1, 2012:

i. Amended standard IAS 1 Presentation of Financial Statements
The amendment to IAS 1 revises the presentation of other comprehensive income

Effective for annual periods beginning on or after January 1, 2013

i. Amended standard IFRS 7 Financial Instruments: Disclosures
Amendments introduce enhanced disclosure around transfer of financial assets and associated risks.

ii. New standard IFRS 10 Consolidated Financial Statements
Provides a new single consolidation model that identifies control as the basis for consolidation for all types of entities, and replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities.

iii. New standard IFRS 11 Joint Arrangements
Improves the accounting for joint arrangements by introducing a principle-based approach that requires a party to a joint arrangement to recognize its rights and obligations arising from the arrangement. Such a principle-based approach will provide users with greater clarity about an entity's involvement in its joint arrangements by increasing the verifiability, comparability and understandability of the reporting of these arrangements. IFRS 11 supersedes IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities-Non-Monetary Contributions by Venturers.

iv. New standard IFRS 12 Disclosure of Interests in Other Entities
Combines, enhances and replaces the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities.

v. New standard IFRS 13 Fair Value Measurement
Defines fair value and sets out a framework for measuring fair value and disclosures about fair value measurements. It applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value, change what is measured at fair value in IFRSs or address how to present changes in fair value.

vi. Revised standard IAS 27 Separate Financial Statements
As a result of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 27 has been reissued to reflect the change as the consolidation guidance has recently been included in IFRS 10. In addition, IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when the Company prepares separate financial statements.

vii. IAS 28 Associates and Joint Ventures
As a consequence of the issue of IFRS 11, IAS 28 has been amended and provides the accounting guidance for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

Effective for annual periods beginning on or after January 1, 2014:

i. Amended standard IAS 32 Financial Instruments: Presentation
The amendments to IAS 32 pertained to the application guidance on the offsetting of financial assets and financial liabilities.

Effective for annual periods beginning on or after January 1, 2015

i. New standard IFRS 9 Financial Instruments
Partial replacement of IAS 39 Financial Instruments: Recognition and Measurement

The Company has not early adopted these revised standards and is currently assessing the impact that these standards could have on future financial statements.

OFF-BALANCE SHEET ARRANGEMENT

The Company currently has no off-balance sheet arrangement.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.