Form 51-102F1

GOLDEN VIRTUE RESOURCES INC.
(Formerly First Lithium Resources Inc.)

Management's Discussion & Analysis
Financial Statements for the
Three Months Ended March 31, 2013

The following discussion and analysis of the financial position and results of operations for GOLDEN VIRTUE RESOURCES INC. (formerly First Lithium Resources Inc.) (the "Company" or the "Corporation" or "Golden Virtue") should be read in conjunction with the condensed interim financial statements for the ***three months ended March 31, 2013*** *which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard 34 ("IAS 34").*

The following information is prepared as at May 28, 2013.

Background

The Company was incorporated on September 1, 2005 by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name "Mountain Capital Inc."

On February 21, 2006 the common shares of the Company commenced trading on the TSX Venture Exchange (the "Exchange") under the trading symbol "MCI.P" as a Capital Pool Corporation ("CPC"). The sponsoring agent was Wolverton Securities Ltd., and the Company's transfer agent is Computershare Trust Company of Canada.

In order to effect a qualifying transaction, the Company entered into an option agreement dated November 23, 2007, as amended on January 21, 2008, April 22, 2008, December 8, 2008 and May 21, 2009 (the "Kalum Property Option Agreement") with Eagle Plains Resources Ltd. ("EPR") with respect to the Kalum Property in British Columbia, Canada. The Company prepared a Filing Statement dated April 30, 2008 in respect to the qualifying transaction, which was accepted for filing by the Exchange. As a result, effective as of May 28, 2008, the Company's shares were re-instated for trading on the Exchange as a Tier 2 Issuer under the trading symbol "MCI". The Company is no longer considered to be a CPC.

On May 14, 2009, the Company changed its name to First Lithium Resources Inc. and the Company's trading symbol, "MCI" remained unchanged.

On October 11, 2012, the Company changed its name to Golden Virtue Resources Inc. and its trading symbol was changed to "GVR". In addition and pursuant to a shareholder's resolution, the Company consolidated all of its issued and outstanding common shares on a ten (10) old for one (1) new basis; cusip number 381307107.

The head office of the Company is located at Suite 2007 – 1177 Hastings Street, Vancouver, British Columbia, Canada, V6E 2K3. Company Contact: Craig Naughty, Company Phone Number: (604) 669-0401, Company Fax Number: (604) 669-0414. The registered office of the Company is located at Suite 1600, 609 Granville Street, Vancouver, British Columbia, V7Y 1C3.

Description of Business

The Company is engaged in the acquisition, exploration and if warranted, the development of mineral property interests.

The Company is a reporting issuer in the Provinces of Alberta and British Columbia and files all public documents on www.sedar.com

Selected Annual Information

Selected annual information from the audited financial statements for the years ended December 31, 2012, 2011, and 2010 is shown in the following table:

	December 31, 2012	December 31, 2011	December 31, 2010
Revenue	$ 0	0	0
Interest Income	0	2,240	5,738
Income (Loss) before other Item	(517,714)	(526,041)	(857,989)
Gain/loss per common share before other items	*(0.09)	*(0.01)	*(0.02)
Fully diluted gain/(loss) per common share before other items	** n/a	** n/a	** n/a
Net loss	(1,403,474)	(1,275,012)	(855,856)
Net loss per common share	*(0.24)	*(0.02)	*(0.01)
Fully diluted net gain/loss per common share	** n/a	** n/a	** n/a
Total Assets	669,842	2,007,254	2,890,586
Long term financial obligations	Nil	Nil	Nil
Cash dividends	$ Nil	$ Nil	$ Nil

* Gain/(loss) per common share in the above table is based on the number of shares outstanding at year end, and not on the weighted average number of shares outstanding for the periods as shown in the audited Statements of Operations and Deficit for the years ended December 31, 2012, 2011, and 2010.

** The dilutive effect of options was not reflected in loss per share as the effect would have been anti-dilutive.

RESULTS OF OPERATIONS

All financial figures presented herein are expressed in Canadian Dollars (CDN$) unless otherwise specified.

Three Months Ended March 31, 2013

During the three months ended March 31, 2013, the Company's net loss was $82,743, a decrease of $74,682 from $157,425 during the three months ended March 31, 2012. Details of the significant changes over the prior period are as follows:

- consulting fees of $23,571 (2012 - $52,384) are lower due to reduced fees from consultants due to reduced business activities;
- legal fees recovery of $14,425 (2012 - $nil) due to the reversal of an accrual in the current period for fees paid in a prior period;

- rent of $30,552 (2012 - $6,616) is higher due to reduced cost sharing with companies related by common management, officers and directors; and
- share based payments of $nil (2012 - $56,302) decreased as no options were granted in the current period.

The Company also incurred $625 in deferred exploration expenditures during the three months ended March 31, 2013 (2012 - $42,884) and received $20,000 (2012 - $nil) as proceeds from the sale of assets. Resource property costs consisted of:

- property acquisitions of $nil in cash (2012 - $20,000), $nil in shares (2012 - $22,500), and $625 (2011 - $1,593) in staking costs; and
- property exploration costs of $nil (2012 - $384).

Liquidity and Capital Resources

As of March 31, 2013, the Company had cash of $3,865 (2012 - $11,692); HST receivables of $3,011 (2012 - $6,048); Other receivables of $33,029 (2012 - $41,896); Prepaid expenses and deposits of $7,950 (2012 - $4,236); Equipment of $1,989 (2012 - $2,183); and Exploration and evaluation assets of $578,376 (2012 - $597,751).

As of March 31, 2013, the Company's Accounts payable and accrued liabilities was $81,278 (2012 - $40,157).

The Company was required to make a cash payment of $6,036 towards the anticipated reclamation requirements with respect to certain of the Company's mineral properties. This served as a guarantee pursuant to a condition of receiving consent from a government agency to explore its resource property interests. During the three months ended March 31, 2013, the full amount of $6,036 was returned to the Company.

The Company had a working capital deficiency as at March 31, 2013 of $33,423 (2012 - $23,715 surplus).

Summary of Quarterly Results

The following are the results for the eight most recent quarterly periods:

For the Quarterly Periods ended:	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
Total Revenues	$ 0	0	0	0
Loss before other Items	(82,626)	(116,489)	(126,981)	(117,793)
Loss per common share before other items	(0.01)	(0.02)	(0.02)	(0.02)
Fully diluted earnings / (loss) per common share before other item	n/a	n/a	n/a	n/a
Net loss for the period	(82,743)	(688,112)	(440,144)	(117,793)
Basic net loss per common share	(0.01)	(0.12)	(0.00)	(0.00)
Diluted net gain / (loss) per share	n/a	n/a	n/a	n/a

For the Quarterly Periods ended:	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Total Revenues	$ 0	0	0	0
Loss before other item	(156,451)	(134,748)	(122,516)	(147,310)
Loss per common share before other item	(0.03)	(0.00)	(0.00)	(0.00)
Fully diluted earnings / (loss) per common share before other item	n/a	n/a	n/a	n/a
Net income / (loss) for the period	(157,425)	(885,528)	(122,516)	(147,741)
Basic net loss per common share	(0.00)	(0.02)	(0.02)	(0.02)
Diluted net gain / (loss) per share	n/a	n/a	n/a	n/a

Exploration and Evaluation Assets

Vermilion 15 Property, Alberta

On August 29, 2008, the Company entered into a Mineral Property Acquisition Agreement with Zimtu Capital Corp., Jody Dahrouge and Spectre Investments Inc. (collectively, the "Vendors") to purchase a 100% interest in the Vermilion 15 Potash Property located in Alberta approximately 30 kilometres west to southwest of Lloydminster, Saskatchewan.

On March 24, 2009, the Company signed an Amending Agreement with respect to the terms of the purchase. In order to fulfill the terms of the Amending Agreement, the Company is required to make the payments and issue shares as follows: Cash payment to the Vendors of $130,000 (paid) within three business days of June 4, 2009 (the "Approval Date").

Upon the Approval Date, issue to the Vendors an aggregate 1,683,334 Units (issued) of the Company. Each Unit consists of one fully paid and non-assessable common share with a value of $0.08 per share for a total value of $134,666 and one share purchase warrant with a fair value of $0.0364 for a total value of $61,273. Each warrant is exercisable at $0.25 per share in the first year and $0.35 per share in the second year expiring on June 3, 2011;

Upon the commencement of commercial production, the Company shall pay to the Vendors 2% NSR, 50% of which (or 1%) can be purchased by the Company from the Vendors for $2,000,000.

On June 5, 2009, the Exchange approved a 7% finder's fee comprising $16,600 cash and 207,500 (post consolidation – 20,750) shares valued at $0.08 per share for a total of $16,600 to an arm's length third party (paid and issued).

On September 27, 2010, the Company filed a work assessment report with the Alberta Government's Coal & Mineral Development, Department of Energy with a detailed expenditure statement claiming $21,068.73 in work performed. On March 22, 2011, The Department accepted all expenditures claimed in the statement, and as a result, the Company's Mineral Property interest is now 4,202 ha.

Godslith Property, Manitoba

On February 15, 2009 the Company entered into an option agreement (the "Agreement") to acquire a 100% interest in the Godslith Property located near Thompson, Manitoba.

The terms of the Agreement require that the Company make:

- Cash payment of $10,000 upon execution of the Agreement (paid);
- Cash payment of $40,000 (paid) and issue 500,000 (post share consolidation – 50,000) common shares (issued) with a total value of $62,500 on or before March 26, 2009 (Exchange approval) of the Agreement;
- Cash payment of $40,000 (paid) and issue 500,000 (post share consolidation – 50,000) common shares (issued) with a total value of $62,500 (issued) on or before September 26, 2009;
- Issue an additional 250,000 (post share consolidation – 25,000) common shares on or before March 26, 2010 (issued and valued at $31,250);
- Work expenditures of $300,000 to commence within 18 months of the government exploration permits being granted;
- Issue an additional 250,000 common shares on or before March 26, 2011 (issued and valued at $25,000); and
- Cash payment of $250,000 to the vendors upon receipt of a feasibility study or on or before March 26, 2013.

The vendors will retain a 2% royalty, which can be reduced to 1% by the Company paying $1,000,000. A 7% finder's fee comprising $8,619 cash (paid) and 68,950 (post share consolidation – 6,895) shares valued at $0.125 per share (issued) for a total of $8,619 has been approved by the Exchange as payment to a third party on March 26, 2009.

The Company is currently awaiting permits from the government of Manitoba for its proposed drill program, which could be expanded if warranted. The goal would be to update and possibly expand on the historical (non NI-43-101 compliant) resource estimates based on Inco's 25 hole drill program on the claim in the late 1950's and early 1960's. The pegmatite is open at depth along its entire strike length.

Negotiations between the Company, the neighbouring Manto Sipi Cree Nation (on whose traditional territory the claim lies) and the Government of Manitoba have been ongoing in effort to facilitate the issuance of the permits. To date, the Company's CEO has been twice invited to the reserve, where presentations to the Manto Sipi both on radio and in person were made. This, along with three trips to Winnipeg, meetings at the PDAC in Toronto and the hosting of Manto Sipi elders in Vancouver have been aimed at relationship building and education. Some informal agreements in principle have been negotiated, but a formal agreement has not yet been reached, Failure to reach such an agreement would impair the value of the property for exploration purposes, and there is no guarantee that such an agreement will be formalized.

The Company has not been able to gain title to the property due to the inability of the Manitoba Government to resolve issues with the First Nations. As a result, no further expenditures were incurred on this property and all costs were written off during the year ended December 31, 2012.

Valleyview Properties, Alberta

On February 26, 2009, the Company entered into a property acquisition agreement (the "Agreement") to acquire a 100% interest in 41 Metallic and Industrial Minerals Permits ("MAIM") located west to northwest of Edmonton, Alberta.

The terms of the Agreement require that the Company make:

- Cash payment of $45,000 upon execution of the Agreement (paid); and
- Cash payment of $45,000 (paid) and issue 1,200,000 (post share consolidation – 120,000) common shares (issued) for a total value of $150,000 and 1,200,000 warrants (issued) with a fair value of $28,920, exercisable at $0.25 for two years, expiring on April 6, 2011.

The vendors will retain a 3% royalty which can be reduced to 1% by the Company paying $1,000,000 and a 5% gross overriding royalty on the gross production of diamonds. A 7% finder's fee comprising $8,400 cash and 67,200 (post share consolidation – 6,720) shares for a total value of $8,400, has been paid on the transaction to an arm's length third party on April 7, 2009, the day the Exchange accepted the Agreement.

A number of samples were procured through energy companies with oil and/or gas wells on the Valleyview properties, with all assays revealing highly anomalous mineralization, including lithium levels. One of these wells was subsequently revisited to acquire a larger sample which has been shipped internationally to a private firm in order to test their proprietary technology for its effectiveness in the extraction of lithium and other elements from the brine.

On October 6, 2010, the Company entered into an Option Agreement with Lithium Explorations VIII Ltd (the "Optionee") whereby the Optionee has the option to acquire a 100% right, title and interest to five MAIM permits owned by the Company on the following basis:

- Pay to the Company $40,000 upon execution of the Agreement (received);
- Pay to the Company $60,000 on or before January 1, 2012 (received);
- Pay to the Company $100,000 on or before January 1, 2013 (see disclosure below);
- Pay to the Company $300,000 on or before January 1, 2014;
- Pay all such property payments as may be required to maintain the mineral permits in good standing; and
- Provide to the Company the refundable amount of $50,000 by November 2, 2010 (received) to be applied towards work assessment expenses acceptable to the Government of Alberta with any unused portion to be applied against payments required to maintain the most highly prospective permits underlying the Property in good standing (amounts have been applied and such permits are in good standing).

On December 2, 2010, the Company filed two work assessment reports with the Alberta Government's Coal & Mineral Development, Department of Energy with detailed expenditure statements claiming $38,067 for work performed on the northern "Fox Creek" block, and $52,489 for work performed on the central "Valleyview" block. On March 22, 2011, the Department accepted all expenditures claimed on the Valleyview block, and as a result, the Company's mineral property interest there, which is under option to Lithium Exploration VIII, is now 82,304.2 ha. On December 21, 2011, the Department accepted all expenditures claimed on the "Fox Creek" block.

On July 29, 2011, the Company announced that it had staked an additional 2 MAIM permits approximately 30 kilometres east of the Company's existing Fox Creek claims in the region of the Valleyview Lithium Property. The applications were accepted by letter from the Government of Alberta, Department of Energy on December 16, 2010, increasing the Company's land holding in the area by 18,432 ha.

On August 19, 2011, the Company received notice that three more permit applications in the vicinity were approved and three more MAIM permits were issued (27,600 ha) to the Company by the Government of Alberta.

On December 31, 2012, the Company and the Optionee amended the option agreement dated October 6, 2012. The required payment of $100,000 due on or before January 1, 2013 has been amended to the following:

- Pay to the Company $20,000 on January 1, 2013 (received); and
- Issue to the Company a 15% one year promissory note in the amount of $80,000, which may be converted into common shares of the Optionee at 75% of the closing market price of the Optionee's common shares on the first day the Company elects to receive shares in lieu of the cash payment.

At this time, the Company, in addition to other companies with neighbouring permits are seeking new technology, or attempting to apply existing technology for the purpose of extracting the mineralization in an economically viable fashion. To date, none of these said companies have reached the stage of commercial production, and there is no guarantee that this will be achieved using the processes currently being experimented with.

Teels Lithium Project, Nevada, USA

The Company entered into an option agreement on February 24, 2010 with Ashburton Ventures Inc., ("Ashburton") and received Exchange approval on March 5, 2010 to acquire an 80% interest in the Teels lithium prospect located in Teels Marsh, Mineral County, Nevada, USA.

The terms of the option agreement require that the Company make:

- Cash payment of $40,000 and issue 250,000 (post share consolidation – 25,000) common shares in the capital of the Company within 3 days of Exchange acceptance (paid and issued);
- Cash payment of $50,000 (paid), issue 500,000 (post share consolidation – 50,000) common shares (issued) and incur $100,000 in exploration expenditures on or before March 15, 2011 (waived), the first anniversary of the registration date of the claims;
- Cash payment of $85,000 ($20,000 paid - see below), issue 500,000 (post share consolidation – 50,000) common shares (issued) and incur an additional $150,000 in exploration expenditures on or before March 15, 2012 (waived), the second anniversary of the registration date of the claims; and
- Incur an additional $200,000 in exploration expenditures on or before March 15, 2013, the third anniversary of the registration date.

The parties amended the terms of the Agreement on March 15, 2011 whereby the requirement to expend $100,000 in exploration expenditures on or before March 15, 2011 was waived.

The parties further amended the Agreement on February 21, 2012 whereby the requirement to expend $150,000 in exploration expenditures by the Company on or before March 15, 2012 was

waived. Furthermore, the Company is only required to pay $20,000 (paid) by the second anniversary of the Registration Date (March 15, 2012) and pay the balance owing ($65,000) on or before September 1, 2012 provided that the Agreement has not been terminated by the Company prior to September 1, 2012. . The Company terminated the Agreement on August 30, 2012 and has written off the property as at December 31, 2012.

On August 18th, 2011 the Company announced that it had applied for drill permits for the Teels Marsh lithium project in Mineral County, Nevada. A notice of operations was submitted to the Bureau of Land Management's Stillwater field office in Carson City, Nev., with a proposal to drill up to 21 holes for the purpose of sampling groundwater for geochemical analyses. Permits were applied for, issued on September 7, 2011 and are valid for a period of 2 years. A reclamation guarantee of US$5,901 (CDN $6,036) (see Liquidity & Capital Resources) was subsequently remitted to the Bureau of Land Management by the Company to cover anticipated land reclamation costs. At the Company's request, the US Bureau of Land Management refunded the reclamation bond guarantee of US$5,901 which was received subsequent to the year end.

Whitesides Property, Ontario

The Company entered into an Option Agreement with Mhakari Gold Corp. ("Mhakari") on December 13, 2010 whereby the Company can earn up to a 80% interest in Mhakari's Whitesides Gold, Nickel, Copper property (the "Property") by incurring $250,000 in exploration expenditures on the Property on or before December 13, 2011 (incurred), an additional $250,000 on or before December 13, 2012 and an additional $350,000 on or before December 13, 2013 (totaling $850,000 over three years). Per the Option Agreement, Mhakari has agreed to finance the Company in two non-brokered private placements for a total of $500,000. See Note 7(i) and 9(b) of the accompanying financial statements.

A VTEM B geophysical survey was conducted in late 2010, covering the entirety of the property.

Mhakari declined to participate in the second non-brokered private placement, resulting in the Company immediately earning an 80% interest in the property, and resulting in the commencement of a joint venture arrangement between Mhakari and the Company.

The Company currently has a geologist reviewing historical work performed on the property and its surroundings, which will be used in conjunction with other data to select specific targets for further exploration.

As at December 31, 2012, the Company does not have title to the property as Mhakari has failed to file the required documents to transfer the requisite interest to the Company. As a result, all costs were written off.

Note to Investors

The Company intends to raise funds through equity financings in order to continue as a going concern through the year 2013. To address immediate working capital requirements for 2013, the Company has announced a non-brokered private placement of up to 4,000,000 units at $0.05 per unit for proceeds of up to $200,000. Each Unit shall consist of one common share and one share purchase warrant. Each warrant will be exercisable by the holder to acquire one additional common share of the Company for a period of two years from issuance at an exercise price of $0.10 per share during the first year and at $0.15 per share during the second year.

If the Company's shares trade above $0.15 for 20 consecutive trading days at any time during the

first year, after four months have elapsed from the closing date or above $0.20 for 20 consecutive trading days at any time during the second year, the company has the option to provide notice to the warrant holders that their warrants will expire if they are not exercised within 30 days.

Proceeds of the Private Placement will be for general working capital purposes and potential property ventures that meet the criteria of the Exchange. Finders' fees may be payable subject to TSX Venture Exchange (the "Exchange") guidelines.

However, in order to meet both its work expenditure requirements and cash payment obligations for all of its current mineral property interests, and to keep in good standing 100% of the claims that comprise the totality of each of these interests, (whether they be contractual or government mandated), additional financing will be required through the period. There is no guarantee that these funds can be procured in whole or in part. The inability of the Company to do so might require its divesting of one or more, or portions thereof, of its mineral property interests. If so, this may impact negatively on the Company's share price.

Annual losses are expected to continue until the Company has an interest in a mineral property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company and other factors.

While primarily concentrating on lithium exploration, the Company continues to actively seek new exploration opportunities for other commodities as well, with the goal of increasing shareholder value through strategic acquisition and development.

Related Party Transactions

The Company incurred the following fees and expenses in the normal course of operations.

		March 31, 2013		March 31, 2012
Rent charged (reimbursed) to entities controlled by key management	$	(11,556)	$	12,380

These amounts of key management compensation are included in the amounts shown on the statements of comprehensive loss:

		March 31, 2013		March 31, 2012
Short term compensation	$	30,000	$	28,500
Share-based payments	$	-	$	38,285

(a) The Company entered into a management services agreement dated May 1, 2009 with the President and CEO of the Company at a monthly rate of $7,500. On January 1, 2012, the management services agreement was renewed for an additional year and may be renewed for a second year by mutual consent. On January 1, 2013, the agreement was renewed for a second year.

(b) The Company entered into a management services agreement dated July 1, 2010 for a period of one year with the Secretary and CFO of the Company at a monthly rate of $2,000. On January 1, 2012, the management services agreement was renewed for an additional year and may be renewed for a second year by mutual consent. On January 1, 2013, the agreement was renewed for a second year.

(c) The Company entered into a consulting services agreement dated April 1, 2012 with a new director at a monthly rate of $500 with a term of one year, which may, by mutual consent, be renewed for an additional term of one year.

(d) As at March 31, 2013, the Company has outstanding amounts payable to directors of the Company of $32,300 (2012 - $732) and amounts receivable from entities controlled by key management personnel of $31,524 (2012 - $40,394).

The amounts payable to directors of the Company represent non-interest-bearing loans the Company borrowed from the directors. The loans are uncollateralized and are repayable on demand.

Commitments

The Company entered into a rental lease agreement effective July 1, 2012 through June 30, 2013 at a monthly rate of $6,332. From July 1, 2012 through December 31, 2012, the Company shared its premises with two related companies and charged them a combined monthly rent of $4,221. From January 1, 2013 through March 31st, 2013, the Company shared its premises with one related company and charged a monthly rent of $3,166. Due to a lack of cash flow, the Company gave notice to the landlord to vacate these premises as early as February 14, 2013 and was able to reduce rent payable for April, May and June, 2013 from $18,996 to $9,496. As of May 1, 2013, the Company rents office space at its new head office on a month to month basis at a rate of $500 per month plus G.S.T.

Capital Management

The Company considers its capital to be comprised of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the year.

Financial Instruments

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash and cash equivalents are classified as a financial asset at FVTPL; and accounts payable and accrued liabilities, as other financial liabilities, which are measured at amortized cost. The carrying value of these instruments approximates their fair values due to their short term to maturity.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

a) Credit risk - Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is held in a Canadian financial institution. The Company does not have any asset-backed commercial paper. The Company has minimal credit risk.

b) 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's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of March 31, 2013 equal $81,278 (2012 - $40,157). All of the liabilities presented as accounts payable are due within 90 days of March 31, 2013.

c) Market risk - Market risk is the risk that changes in market prices, such as foreign exchange rates, and interest rates 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 on capital.

i) Currency risk - The Company is exposed to currency risk to the extent that expenditures incurred on certain mineral properties are denominated in US dollars. The Company does not manage currency risk through hedging or other currency management tools. As at March 31, 2013 and December 31, 2012, the Company's net exposure to foreign currency risk is $nil.

ii) Interest rate risk - Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates and therefore the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.

iii) Other price risk - Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

Forward-Looking Statements

This MD&A together with the Company's condensed interim financial statements and notes thereto for the three months ended March 31, 2013 may contain certain statements that may be deemed "forward-looking statements". All statements in this MD&A, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects to occur, are forward looking statements and which are presented as such. Forward looking statements in this document are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. (See 'Outlook' in this MD&A)

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Trends

Due to the current worldwide adverse market conditions, commodity prices have declined significantly. Should market conditions not improve or should market conditions continue to deteriorate, then commodity prices shall most likely decline further or remain stagnant. As a result, companies such as Golden Virtue Resources Inc. shall experience difficulties in raising funds.

Risks related to our Business

The Company, and the securities of the Company, should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

There are a number of outstanding securities and agreements pursuant to which common shares of the Company may be issued in the future. This will result in further dilution to the Company's shareholders.

The Company has a very limited history of operations, is in the early stage of development and has received no revenues other than insignificant interest revenues. As such, the Company is subject to many risks common to such enterprises. There can be no assurance that the Company will be able to obtain adequate financing in the future or, if available, that the terms of such financing will be favourable. The Company has no intentions of paying any dividends in the future.

Although the Company has taken steps to verify the title to mineral properties in which it has acquired an interest, no assurance whatsoever can be given that the Company's interests may not be challenged by third parties. If challenged, and if the challenge is sustained, it will have an adverse effect on the business of the Company. Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

The exploration of mineral properties involves significant risks which even experience, knowledge and careful evaluation may not be able to avoid. The price of metals has fluctuated widely, particularly in recent years as it is affected by numerous factors which are beyond the Company's control including international economic and political trends, expectations of inflation or deflation, currency exchange fluctuations, interest rate fluctuations, global or regional consumptive patterns, speculative activities and increased production due to new extraction methods. The effect of these factors on the price of metals, and therefore the economic viability of the Company's interests in the mineral properties cannot be accurately predicted. Furthermore, changing conditions in the financial markets, and Canadian Income Tax legislation may have a direct impact on the Company's ability to raise funds for exploration expenditures. A drop in the availability of equity financings will likely impede spending. As a result of all these significant risks, it is quite possible that the Company may lose its investments in the Company's mineral property interests.

Disclosure over Internal Controls & Internal Controls over Financial Reporting

There have been no significant changes to the Company's internal control environment during the three months ended March 31, 2013 and the year ended December 31, 2012 that would have materially affected the Company's internal controls over financial reporting.

The Company's certifying Officers concluded that the Company's internal disclosure controls and procedures are effective and sufficient to execute its business plan.

Future Accounting Standards

For details of the Company's Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 4 of the Company's audited financial statements for the year ended December 31, 2012.

Directors and Officers

As at March 31, 2013, the Company had the following directors and officers:

Craig Naughty – Director, President and CEO
Carmen Angilletta – Director, Secretary and CFO
Andrew Cosby* – Director
L. David Michaud* – Director
J. Wayne Murton* - Director

* Member of the Company's Audit Committee

All of the Company's directors were elected or re-elected at the Company's Annual General and Special Meeting held on June 22, 2012.

The Company is dependent on a small number of key directors and officers. The loss of any one of those persons could have an adverse affect on the Company. The Company has purchased Directors and Officers Liability Insurance effective March 23, 2012. The Company does not maintain "key-man" insurance with respect to any of its management.

Annual General & Special Meeting

On June 25, 2012, the Company announced the results of its Annual General and Special Meeting of shareholders held Friday, June 22, 2012 where all resolutions put to shareholders were duly passed.

Election of Directors

The number of directors was set at five and includes the election of Craig L. Naughty, J. Wayne Murton, Andrew Cosby, Carmen Angilletta and L. David Michaud.

Appointment of Auditor

Smythe, Ratcliffe LLP, Chartered Accountants, has been appointed as auditor of the Company for the ensuing year and the board of directors has been authorized to fix their remuneration.

Stock Option Plan

The Company's new 10% rolling stock option plan dated May 25, 2012 was approved by shareholders. Subsequently, on November 16, 2012, the Company also received Exchange approval.

Share Consolidation

The board of directors has been given authority, by way of an ordinary resolution of shareholders, to consolidate the Company's issued and outstanding Common Shares on the basis of of one (1) "new" Common Share for every ten (10) "old" Common Shares outstanding or on the basis of such lesser consolidation ratio as may be approved by the directors and accepted by the TSX Venture Exchange (the "Exchange").

On October 11, 2012, pursuant to Exchange and Shareholder approval, the Company changed its name from First Lithium Resources Inc. to Golden Virtue Resources Inc. and consolidated its outstanding common shares on a ten (10) old for one (1) new basis whereby the number of

issued and outstanding common shares of the Company was reduced from 59,435,502 common shares without par value to 5,943,550 common shares without par value.

Re-pricing of previously granted stock options

An ordinary resolution of disinterested shareholders was passed to amend the exercise price of currently outstanding stock options to a price equal to the applicable market price, multiplied by the applicable consolidation ratio, subject to the approval of the Exchange. On November 16, 2012, the Company received Exchange approval to re-price 698,750 post-consolidation stock options to the amended exercise price of $0.20 per common share.

Capital Stock

Capitalization: Unlimited number of common shares without nominal or par value

Outstanding Share Data	No. of Common Shares (Post-consolidation)	Exercise Price per common share (Post Consolidation ($)	Expiry Dates
Issued and Outstanding as at May 28, 2013	**5,943,550**	**N/A**	**N/A**
Stock Options	**698,750**	**$0.20 ***	**July 29, 2013 – March 19, 2017**
Warrants	**-**	**-**	**-**
Agent's Warrants	**-**	**-**	**-**
Fully Diluted as at May 28, 2013	**6,642,300**	**N/A**	**N/A**

* Shareholders approved the post-consolidation exercise price of $0.20 per common share

Outlook

Management is looking forward to the exploration and, if warranted, to the development of the Company's mineral property interests. Although the Company believes the expectations expressed in the foregoing statement is based on reasonable assumptions, such a statement is not a guarantee of future performance and actual results may differ materially from those in this forward-looking statement.

Subsequent to the Three Months Ended March 31, 2013:

a) The Company entered into a Debt Assignment agreement on March 13, 2013 with arm's length third parties (the "Assignees") whereby the Company assigned a receivable totaling $27,730 to the Assignees for $0.30 on the dollar ($8,319). (The Company received payment of $8,319 for the receivable from the Assignees on April 26, 2013).

b) The Company entered into a debt settlement agreement on April 17, 2013 with a related company to settle receivables totaling $22,162 consisting of rent and shared office expenses for $0.05 on each dollar owed. The Company has agreed to accept $1,107.65 in full settlement of the debt.

c) On April 29, 2013, the Company amended the terms of its non-brokered private placement originally announced on February 21, 2013 and will proceed to a non-brokered private placement of up to 2,666,666 units (the "units") at $0.045 per unit, for gross proceeds of up to $120,000. Each unit shall consist of one common share and one share purchase warrant. Each warrant will be exercisable by the holder to acquire one additional common share of the Company for a period of two years from issuance at an exercise price of $0.07 per share during the first year and $0.15 per share during the second year. Completion of the Private Placement is subject to Exchange approval which is being sought pursuant to the Exchange's Notice to Issuers dated August 17, 2012, December 12, 2012 and April 12, 2013 regarding Temporary Relief from Certain Pricing Requirements. Once completed, proceeds will be used for general working capital purposes and potential property ventures and all shares once issued will have a four-month statutory hold period.

d) The Company has scheduled its Annual General Meeting for June 25, 2013 where all shareholders of record date May 16, 2013 shall be entitled to vote.

Approval

The Board of Directors of Golden Virtue Resources Inc. has approved the disclosure contained in this MD&A.

Additional information related to the Company is available on SEDAR at www.sedar.com, on the Company's website at www.firstlithiumresources.com.