ELCORA RESOURCES CORP.

MANAGEMENT DISCUSSION & ANALYSIS

For the period ended December 31, 2013

March 3, 2014

This management's discussion and analysis ("MD&A") provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the three and nine month periods ended December 31, 2013. This report, prepared as at March 3, 2014, intends to complement and supplement our financial statements as at December 31, 2013 (the "Financial Statements") and should be read in conjunction with the Financial Statements and the accompanying notes.

Our Financial Statements and the MD&A are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Elcora", we mean Elcora Resources Corp. or Elcora Corp., as it may apply.

The Financial Statements and additional information related to Elcora Resources Corp. (the "Company" or "Elcora"), including the prospectus for the initial public offering, are available for view on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This MD&A together with the Company's Financial Statements contain certain statements that may be deemed "forward-looking statements". The Company is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market for gold and other minerals will continue and grow and that the risks listed below will not adversely impact the business of the Company.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: limited operating history; exploration and development risks; regulatory risks; substantial capital requirements and liquidity; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral prices and marketability of minerals; title to properties; local resident concerns; no mineral reserves or mineral resources; environmental risks; governmental regulations and processing licenses and permits; conflicts of interest of management; uninsurable risks; exposure to potential litigation; dividends; and other factors beyond the control of the Company.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk Factors" below.

OVERVIEW AND DESCRIPTION OF BUSINESS

Elcora Resources Corp. ("the Company") was incorporated pursuant to the Canada Business Corporations Act ("CBCA") on June 6, 2011. The Company's head office is located at Suite 2108, Purdy's Tower Two, 1969 Upper Water Street, Halifax, Nova Scotia, B3J 3R7, Canada.

On May 16, 2012 the Company completed its initial public offering (the "Offering") of 3,750,000 common shares at a price of $0.10 per common share for gross proceeds to the Company of $375,000. The net proceeds of the Offering were used to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction" pursuant to Exchange Policy 2.4 - Capital Pool Companies, as disclosed in the Company prospectus dated April 24, 2012. The Cree Lake transaction below constituted the Company's Qualifying Transaction under Policy 2.4 of the Exchange, following which the Company's securities commenced trading on Tier 2 of the Exchange under the symbol ERA.

The Company is a mineral exploration company engaged in locating and acquiring mineral projects and exploring for mineralization and has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES

During the year ended March 31, 2012, the Company issued 6,500,000 common shares at $0.05 per share, which are subject to an escrow agreement.

On May 16, 2012 the Company completed its initial public offering (the "Offering") of 3,750,000 common shares at a price of $0.10 per common share for gross proceeds to the Company of $375,000. The net proceeds of the Offering were used to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction" pursuant to Exchange Policy 2.4 - Capital Pool Companies, as disclosed in the Company prospectus dated April 24, 2012.

Elcora entered into an arm's length binding letter of intent (the "Letter of Intent") with Mantis Mineral Corp. ("Mantis") dated October 4, 2012 for the right to acquire a fifty-one percent (51%) undivided interest in the Cree Lake Gold Property located in Swayze Township, Ontario, consisting of 18 mining claims covering approximately 3,904 hectares (the "Cree Lake Claims"). Of these Claims, claim numbers 4203295, 4203275, 4203296 and 4209811 are subject to a 1.5% net smelter return royalty on mining.

On December 20, 2012 Elcora entered into an option agreement with Mantis (the "Option Agreement"). Pursuant to the terms of the Option Agreement, Elcora may earn a 51% interest in the Cree Lake Claims by making cash payments totalling $50,000, issuing 3,000,000 common shares and completing work programs on the Cree Lake Claims with a total value of a minimum of $1,213,600 over a four year period.

Pursuant to the terms of the Option Agreement Elcora may accelerate the cash payments, delivery of common shares and work programs in order to exercise the option at any time. Elcora may terminate its obligations and forfeit its rights under the Letter of Intent at its sole discretion at any time on 30 days' notice to Mantis after completing the initial requirements of making a cash payment of an aggregate of $25,000 to Mantis, the delivery of 300,000 common shares of Elcora to Mantis and the completion of a work program of a minimum of $200,000 on the Cree Lake Claims. On March 8, 2013, the Company paid $25,000 and delivered 300,000 common shares of Elcora to Mantis. On January 28, 2014 the Company extended the term of the Option Agreement to December 31, 2014 (see subsequent events).

On March 18, 2013, Elcora completed a further non-brokered private placement of 1,018,163 common shares priced at $0.15 per share for $152,725. The Company also issued 925,000 flow-through common shares at $0.20 per share for $185,000. The total number of common shares of Elcora issued pursuant to this non-brokered private placement was 1,943,163 common shares and the capital stock value is net of total share issuance costs of $49,167.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES (CONTINUED)

On July 19, 2013 Elcora closed a non-brokered private placement financing of $245,500 comprising the sale of 4,910,000 common shares of the Company at a price of $0.05 per share and the issuance of 4,910,000 warrants of the Company, with each warrant entitling the holder to acquire one common share of the Company for two years at a price of $0.15 per common share (the "July Private Placement"). The securities issued in the July Private Placement are subject to a 4 month hold period. The proceeds from the July Private Placement were used for corporate overhead and working capital.

Also on July 19, 2013 the Company announced it had commenced its Phase I exploration program at the Cree Lake Gold Property located in Swayze Township, Ontario. Elcora has entered into a Memorandum of Understanding with the Flying Post First Nation(s) whereby Elcora will be permitted to complete mineral exploration on traditional territory of Flying Post First Nation(s) pursuant to inherent and treaty rights. In consideration for the grant of exploration rights, Elcora issued 50,000 common shares of the Company valued at $7,000 to the Flying Post First Nation(s) as well as 50,000 warrants of the Company, each warrant entitling the holder to acquire one common share of the Company for $0.20 for one year from July 15, 2013. Elcora will also pay 2% of all costs of the exploration program incurred to date and after this agreement takes effect (June 24, 2013), to the Flying Post First Nation(s). This amounted to $1,700 for the nine months ended December 31, 2013.

EXPLORATION AND DEVELOPMENT STRATEGY

The Cree Lake Claims are located 195-kilometers north-northwest of Sudbury, Ontario in Swayze Township. The Cree Lake Claims are located on the south-western portion of the Abitibi greenstone belt of Precambrian rocks. Mineralized trends were established from historic results undertaking stripping, trenching, sampling and drilling programs for both precious and base metals.

To date Mantis' exploration results are very encouraging, especially in the light of the new discovery referred to now as the Mantis occurrence. This discovery significantly increases the gold mineralization potential of the Cree Lake Property. The system displays significant grade-widths hosted by an incipient stockwork vein set and, unlike spectacular high grade showings associated with narrow leader veins in shear-fault zones, which also exist on Cree Lake Property and throughout the Swayze belt, stockworks mineralized systems potentially form larger deposits and targets. This new discovery of a vein system with an incipient stockwork network carrying disseminated pyrite provides a larger mass for geophysical tracing and is more amenable to definition drilling as well. The procedures and methods used during the exploration programs carried out on the Cree Lake Property are all considered to be adequate to instill confidence in the quality and reliability of the information generated. The following recommendations have been made:

1. The full extent of the mineralization encountered at the Mantis showing and the Flint Rock occurrence is currently unknown and it is not known if other auriferous structures are present on the Property (within these areas).
2. Beyond the Flint Rock and Mantis occurrences, the South Cree Lake occurrence is under-explored requiring further evaluation of the sulphide-facies iron formation.
3. The occurrences outside these areas should also be prospected and evaluated in the context of the property geological model.
4. The following phased recommendations are made for future exploration programs on the Property. The phase two proposed program will be contingent on attaining positive results from the phase one program.

Phase 1

- Induced Polarization surveys to trace the extent of the known mineralization and the host shear.
- Strip anomalous areas if possible to evaluate their potential.
- Prospect and compile data on the South Cree Lake occurrence.

Phase 2

- Drill testing of selected targets

RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the Summary of Quarterly results (for fiscal 2014, fiscal 2013 and fiscal 2012), conform to IFRS.

	Three month period ending December 31, 2013 $	Three month period ending December 31, 2012 $	**Nine month period ending December 31, 2013 $**	Nine month period ending December 31, 2012 $
Property Investigation	43,605	1,200	358,639	1,200
Professional fees	51,808	31,950	62,752	63,554
General & administrative expenditures	11,473	2,233	35,937	4,076
Travel and promotion	-	862	-	9,889
Management & consulting fees	80,833	-	213,333	-
Regulatory, transfer agent and filing fees	6,737	60,351	37,196	108,575
Investor relations	1,833	-	1,833	-
Stock-based compensation	47,981	-	47,981	91,225
Loss before other items	(244,270)	(96,596)	(757,671)	(278,519)
Other items:				
Interest Income	334	-	334	-
Deferred tax recovery	12,500	-	25,000	-
Net loss and comprehensive loss for the period attributable to shareholders	(231,436)	(96,596)	(732,337)	(278,519)
Loss per share				
Basic and diluted loss per share	(0.01)	(0.02)	(0.04)	(0.07)
Weighted average number of shares outstanding	17,718,380	3,750,000	15,557,163	3,690,000

The Company recorded a net loss of $231,436 for the three month period ending December 31, 2013 compared to a net loss of $96,596 for the corresponding period in 2012. Some of the significant charges to operations are as follows:

- Property investigation expenses amounting to $43,605 (December 31, 2012 - $1,200) relate to additional investigation into exploration of projects that might meet additional acquisition criteria.
- Professional fees consisting mainly of legal fees amounted to $51,808 (December 31, 2012- $31,950).
- General & administrative expenditures amounted to $11,473 (December 31, 2012- $2,233).
- Management and consulting fees amounted to $80,833 (December 31, 2012 - $nil).
- Regulatory, transfer agent and filing fees amounted to $6,737 (December 31, 2012- $60,351). Expenses incurred during 2012 were directly related to the Company's offering and initial listing

The Company recorded a net loss of $732,337 for the nine month period ending December 31, 2013 compared to a net loss of $278,519 for the corresponding period in 2012. Some of the significant charges to operations are as follows:

- Property investigation expenses amounting to $358,639 (December 31, 2012 - $1,200) relate to additional investigation into exploration of projects that might meet additional acquisition criteria.
- Professional fees consisting mainly of legal fees amounted to $62,752 (December 31, 2012- $63,554).
- General & administrative expenditures amounted to $35,937 (December 31, 2012- $4,076).

RESULTS OF OPERATIONS (CONTINUED)

- Management and consulting fees amounted to $213,333 (December 31, 2012 - $nil).
- Regulatory, transfer agent and filing fees amounted to $37,196 (December 31, 2012- $108,575). Expenses incurred during 2012 were directly related to the Company's offering and IPO.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters:

	Dec 31, 2013 $	Sep 30, 2013 $	Jun 30, 2013 $	Mar 31, 2013 $	Dec 31, 2012 $	Sep 30, 2012 $	Jun 30, 2012 $	Mar 31, 2012 $
Deficit and Cash Flow								
Revenue	-	-	-	-	-	-	-	-
Net loss	(231,436)	(385,518)	(115,233)	(104,407)	(96,596)	(65,014)	(116,560)	(38,717)
Basic and diluted loss per share	(0.01)	(0.02)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)
Balance Sheet								
Total Assets	263,054	378,859	487,922	593,641	395,625	478,900	529,498	276,755

The Company was incorporated on June 6, 2011 and, since that date, has completed an initial public offering ("IPO"), completed a Qualifying Transaction and closed a further round of financing. Fluctuations in net loss quarter over quarter are a result of the Company's incorporation, prospectus offering and Qualifying Transaction. Other than these activities the Company has not commenced intended operations. Fluctuations in Total Assets are mostly due to cash and cash equivalents that have been received and paid out in each of the above quarters.

LIQUIDITY AND CAPITAL RESOURCES

The Financial Statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets.

As at December 31, 2013, the Company had a working capital deficit of $78,179. Current liabilities, being trade payables and accrued liabilities as at December 31, 2013 amounted to $122,533. The Company commenced Phase I of the Cree Lake work program and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related thereto. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals.

Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond

LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties are in the normal course of business.

In the nine months ending December 31, 2013, $213,333 was expensed as consulting & management fees (2012 - $1,125).

Included in accounts payable and accrued liabilities at December 31, 2013 were management fees of $43,600 payable to the President and Chief Executive Officer and Chief Financial Officer of the Company (March 31, 2013 – $nil). These amounts will be paid at the earlier of March 31, 2014 and the closing of an equity financing greater than $1,000,000. On October 31, 2013 the Company issued 400,000 common shares in settlement of outstanding management fees of $40,000 payable to the Company's President and Chief Executive Officer and Chief Financial Officer.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's Financial Statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported expenses during the periods. Actual results could differ materially from those estimates. During the nine months ended December 31, 2013, there were no changes in the critical accounting estimates disclosed in the Company's March 31, 2013 Annual MD&A.

CHANGES IN ACCOUNTING POLICIES

The Company's Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with IAS 34 – Interim Financial Reporting. The Financial Statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2013. The Financial Statements have been prepared following the same accounting policies as the Company's audited financial statements for the year ended March 31, 2013, except as follows:

IFRS 13 - Fair value measurement ("IFRS 13")

IFRS 13 was issued in May 2011 and sets out, in a single IFRS, a framework for measuring fair value. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This definition of fair value emphasizes that fair value is a market-based measurement, not an entity specific measurement. In addition, IFRS 13 also requires specific disclosures about fair value measurement. IFRS 13 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company adopted the standard with no financial impact.

CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 9 - Financial Instruments: Classification and Measurement ("IFRS 9")

IFRS 9 as issued reflects the first phase of the International Accounting Standings Board's ("IASB") work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. In July 2013, the IASB tentatively decided to defer the mandatory effective date of IFRS 9. The IASB agreed that the mandatory effective date should no longer be annual periods beginning on or after January 1, 2015 but rather be left open pending the finalization of the impairment and classification and measurement requirements. The Company is currently assessing the impact of adopting IFRS 9 on its financial statements.

FINANCIAL INSTRUMENTS

Measurement categories

The Company's financial assets and liabilities have been classified into categories that determine their basis of measurement. All financial assets and liabilities are measured at amortized cost. The carrying value of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term maturities.

Financial risk factors

(a) Market risk

i) Foreign exchange risk

The Company is not exposed to foreign exchange risk at this time.

ii) Interest rate risk

The Company's accounts payable and accrued liabilities are non-interest bearing and have contractual maturities of 30 days or less. As at December 31, 2013, the Company has non-material exposure to interest rate risk through its financial instruments.

iii) Price risk

The Company is not exposed to any direct price risk other than that associated with commodities and how fluctuations impact companies in the mineral exploration and mining industries as the Company has no significant revenues.

(b) Credit risk

Credit risk is the risk that a customer or third party to a financial instrument fails to meet its commercial obligations. The carrying amount of financial assets represents the maximum credit exposure. The Company manages credit risk by holding the majority of its cash and cash equivalents with AA rated banks in Canada, where management believes the risk of loss to be low.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to meet liabilities when due. As at December 31, 2013, the Company had cash and cash equivalents of $538 (2013 - $405,380) to settle current liabilities of $122,533 (2013 - $25,548). On January 28, 2014, the Company announced its intention to complete a non-brokered private placement for proceeds of between $500,000 and $1,500,000 (amended to $750,000 on February 20, 2014). See subsequent events below for further information regarding proposed financing transactions.

OTHER INFORMATION

Off Balance Sheet Items

The Company has no off-balance sheet arrangements.

Outstanding Share Data

Authorized capital stock of unlimited common shares without nominal or par value.

As at the date of this MD&A, there were 22,453,163 common shares of the Company issued and outstanding. Of these common shares, 4,918,750 common shares (March 31, 2013 – 5,902,500) were subject to an escrow agreement.

Outstanding Stock Options and warrants

The Board of Directors of the Company has adopted an incentive stock option plan (the "Option Plan"). Under the Option Plan, the Board of Directors of the Company may from time to time, at its discretion, and in accordance with the Exchange requirements and applicable securities legislation, grant to directors, officers, employees, consultants and management company employees of the Company, non-transferable options to purchase Common Shares, exercisable for a period of up to 10 years from the date of grant. The number of Common Shares reserved for issuance under the Option Plan will not exceed 10% of the issued and outstanding Common Shares of the Company. The number of Common Shares reserved for issuance to any one individual Director or Officer may not exceed 5% of the issued and outstanding Common Shares and the aggregate number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares. Vesting terms are determined by the Board of Directors at the time of grant.

As at March 3, 2014 the Company had 1,125,000 options outstanding at a weighted average exercise price of $0.12.

Macquarie Private Wealth Inc. (the "Agent") acted as agent for the Offering and was granted a non-transferrable option (the "Agent's Option") to purchase 300,000 common shares of the Company equal to 8% of the number of common shares sold through the Offering. The Agent's Option is exercisable for a period of 24 months at a price of $0.10 per common share.

The Company has 4,960,000 warrants outstanding. Of these warrants, 4,910,000 have an exercise price of $0.15 and expire on July 19, 2015 and 50,000 warrants have an exercise price of $0.20 and expire on July 15, 2014.

Subsequent events

1. On February 20, 2014 the Company announced that it had entered into a binding letter of intent (the "LOI") to acquire 40% of the outstanding shares of Sakura Graphite (Pvt) Ltd. ("Sakura"). Sakura controls 99 acres in Sri Lanka including the past producing Ragedera mine, with an unrestricted exploration license covering 4 square kilometers and a mining license for unlimited monthly production. Under the terms of the LOI, Elcora will issue 5,066,667 common shares and 7,856,000 warrants to purchase common shares of the Company. The LOI is subject to TSX Venture Exchange and other regulatory approvals.
2. On January 28, 2014, the Company announced that it had agreed with Mantis to extend the term of the Option Agreement to allow the Company to continue to explore the Cree Lake Claims until December 31, 2014. The Company issued 400,000 common shares to Mantis as consideration for this extension.

OTHER INFORMATION (CONTINUED)

Subsequent events (continued)

3. Subsequent to December 31, 2013 the Company agreed to a $798,000 arm's length share exchange with a London, United Kingdom, based investment trust pursuant to which the Company will receive 443,136 shares of the trust at £1.00 per share and will issue 4,200,000 common shares of the Company at $0.19 per common share in exchange. After closing of the proposed transaction, the London-based investment trust will own 17.60% of the Company's common shares. The Elcora shares will be subject to a hold period until June 13, 2014 and a finder's fee equal to 7% of the net cash proceeds as and when received by Elcora will be paid in respect of this transaction.

RISKS AND UNCERTAINTIES

An investment in the Company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating the Company and its business before making any investment decision in regards to the common shares of the Company. The Company's business, operating and financial condition could be harmed due to any of the following risks. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. An investment in the Company is speculative. An investment in the Company will be subject to certain material risks and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all of its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interests in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It should be anticipated that any market for the Company's shares will be subject to general market trends and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

RISKS AND UNCERTAINTIES (CONTINUED)

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, Nova Scotia (the "Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of Nova Scotia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosures concerning Elcora's expenses are provided in the Company's interim statements of loss and comprehensive loss and note disclosures contained in its Financial Statements. These statements are available on Elcora's SEDAR Page. Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend history and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Management's Responsibility for Financial Statements

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (CONTINUED)

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the Financial Statements and related financial reporting and internal control matters before the Financial Statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the Financial Statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.