MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Six Months Ended June 30, 2008

August 26, 2008

GENERAL

This Management Discussion and Analysis ("MD&A") is dated August 26, 2008 and is in respect of the six month interim period ended June 30, 2008. The following discussion of the financial condition and results of operations of Metals Creek Resources Corp. (the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the interim period ended June 30, 2008. The discussion should be read in conjunction with the annual consolidated audited financial statements, and corresponding notes to the consolidated financial statements, of for the year ended December 31, 2007, and the unaudited consolidated interim financial statements for the period ended June 30, 2008. Results for the interim period ended June 30, 2008 may not be indicative of the results which may be expected for the year ended December 31, 2008.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

The financial results discussed below include the results of the Company and its wholly owned subsidiary, North American Uranium Corp. ("NAUC")

HISTORY OF THE COMPANY

The Company was incorporated on June 21, 2004 as The Endurance Fund Corporation, and classified as a Capital Pool Corporation ("CPC") as defined in Policy 2.4 of TSX Venture Exchange ("TSX-V" or the "Exchange") Corporate Finance Manual (the "Manual").

On December 21, 2007, the Company completed its Qualifying Transaction (as defined in the Manual) with NAUC pursuant to which the Company acquired all of the issued and outstanding common shares and common share purchase warrants of NAUC (the "Acquisition"). Pursuant to the Acquisition, the Company issued 9,859,286 common shares at a deemed price of $1 per share, and warrants to acquire 357,143 common shares at an exercise price of $0.50. The Exchange issued a Final Exchange Bulletin on January 25, 2008 approving the Acquisition.

The Company changed its name to Metals Creek Resources Corp. on February 20, 2008. The Company is listed as a tier 2 Issuer by the Exchange.

GOING CONCERN

The financial statements of the Company have been prepared on the basis of Canadian generally accepted accounting principals ("GAAP") applicable to a going concern. The appropriateness of this methodology is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends on its ability to develop profitable operations and to continue to raise adequate financing.

Specifically, the recovery of the Company's investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition.

The Company is an exploration stage company has not earned any revenues to date, is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

OVERALL PERFORMANCE

The Company earned interest income of $1,744 during the three month interim period and $7,162 cumulative year to date.

During the interim period, the Company incurred a net loss before recovery of future income taxes of $471,491 and after a recovery of future income taxes of $139,999, incurred a net loss and comprehensive loss for the period of $331,492 or $0.018 per share. The cumulative deficit from inception of the Corporation is $568,350.

During the three month interim period, the Company incurred a net loss before recovery of future income taxes of $311,463 and after a recovery of future taxes of $139,999, incurred a net loss and comprehensive loss for the period of $171,464 or $0.009 per share

RESULTS OF OPERATIONS

Expenses incurred during the three month interim period consist of:

- i) Professional and consulting fees of $78,584 (2007 – $15,070)– professional fees include legal, audit, accounting and consulting.
- ii) Office and general of $53,978 (2007 – $4,105) representing office supplies, printing, and presentations, and occupancy costs.
- iii) Business development, travel and related costs of $47,723 (2007 – NIL).
- iv) Amortization of capital assets of $14,074. (2007 – NIL)
- v) Salaries and wages of $87,558. (2007 – NIL)
- vi) Stock-based compensation costs of $37,202 (2007 – NIL).

Interest income was $1,744 (2007 – NIL) and revenue from administrative fees allocated to mineral properties was $5,912 (2007 – NIL). Interest income was earned on funds invested in guaranteed deposit instruments.

Expenses in all categories have increased over the prior year following closing of the reverse takeover transaction between the Company and North American Uranium Corporation in December 2007. A private placement financing was completed in conjunction with the above, providing the Company with funds to pursue its business objectives of exploring its properties. In the prior year, lack of funding resulted in the Company not incurring these expenditures. Expenses in the prior year are not indicative of the amounts which the Company expects to incur in future periods.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly information for the most recent completed quarters since incorporation.

	Period Ended Jun 30/08	Period Ended Mar 31/08	Period Ended Dec 31/07	Period Ended Sept 30/07	Period Ended Jun 30/07	Period Ended Mar 31/07
Revenue – Interest Income	**$1,744**	**$5,418**	**$NIL**	**$NIL**	**$NIL**	**$NIL**
Loss for the Period	**$(171,464)**	**$(160,028)**	**$(146,625)**	**$(18,812)**	**$(19,175)**	**$(52,246)**
Loss Per Share	**$(0.009)**	**$(0.009)**	**$(0.015)**	**$(0.002)**	**$(0.002)**	**$(0.008)**

SELECTED ANNUAL FINANCIAL INFORMATION

Period Ended – June 30		**2008**
Revenue (Interest income)	$	7,162
Net loss and comprehensive loss	$	(331,492)
Loss per share – basic and diluted	$	(0.018)
Total assets	$	2,392,369
Future income taxes	$	540,863
Dividends	$	NIL

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2008, the Company had cash and cash equivalents of $406,041. The Corporation also holds a short term investment (GDA) in the amount of $400,000.

Accounts payable and accrued liabilities of $129,557 includes period end accruals for expenditures on mineral properties, legal fees, consultants and other amounts.

Working capital at June 30, 2008 is $1,137,574. There were no private placement financings completed in the current period.

At this time the Company does not own or operate any revenue producing mineral properties, and accordingly, does not have cash flow from operations. The Company raises funds for exploration, development and general overhead and other expenses through the issuance of shares from treasury. This method of financing has been the principal source of funding for the Company since inception.

The Company also funds exploration at certain of its other properties through option agreements with other companies who have agreed to fund exploration in exchange for the right to earn an interest in the properties.

In addition to the funds in the Company's treasury, the Company intends to continue raising funds for future exploration and general overhead and other working capital through the continuation of issuances of shares from treasury and through earn-in or option agreements with other mineral exploration and mining companies.

During the period, there was $31,500 in non-cash share transactions representing the issuance of 90,000 shares pursuant to property option agreements.

In addition, during the period, 1,110,000 stock options were granted to directors, officers, employees and consultants subject to the vesting provisions of the Company Stock Incentive Plan and carrying with them a 3 year expiry period. Also during the period, 50,000 stock options were cancelled. The Company applies the fair value method of accounting for stock-based compensation awards to directors, officers, employees and consultants and accordingly $37,202 (2007 - $NIL) is recorded as stock-based compensation expense and under capital stock as contributed surplus for the 277,500 (2007 – NIL) options vesting to directors, officers, employees and consultants during the year.

Currently, the Company has sufficient cash to meet current work commitments and programs however in order to progress projects and cover future corporate costs, the Company has initiated a non-brokered private placement with MPartners Inc. to raise up to an additional $2million to fund the 2009 project budget (see Subsequent Event). The Company's success in raising funds is not known with certainty. In the event that the Company is not successful in closing the financing, the 2009 budget would be revised accordingly to fund only committed costs. All anniversary option payments would be reviewed to determine which if any would be renewed given the impaired ability to fund the budget.

MINERAL PROPERTIES

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production or written-down if the properties are allowed to lapse, are impaired or are abandoned. The deferred costs associated with each property is as follows:

For the six months ended June 30, 2008	Opening balance	Expenditures	Recoveries and write downs	Ending balance
Dogpaw Lake Project	$524,538	$113,257	-	$637,795
Panama Lake and Wicks Lake	-	31,113	-	31,113
Tillex Property	-	4,269	-	4,269
Sheffield Lake/Sops Arm Project	63,866	202,142	(202,476)	63,532
Gabbro Lake Project	3,178	338	-	3,516
Tilt Cove	-	75,551	-	75,551
Staghorn Property	-	39,099	-	39,099
Other Properties	55,422	149,193	-	204,615
Total	$647,004	$614,962	$(202,476)	$1,059,490

For the year ended December 31, 2007	Opening balance	Expenditures	Recoveries and write downs	Ending balance
Dogpaw Lake Project	$	$524,538	$	$524,538
Panama Lake and Wicks Lake	-	-	-	-
Tillex Property	-	-	-	-
Sheffield Lake/Sops Arm Project	-	63,866	-	63,866
Gabbro Lake Project	-	3,178	-	3,178
Tilt Cove	-	-	-	-
Staghorn Property	-	-	-	-
Other Properties	-	55,422	-	55,422
Total	$	$647,004	$	$647,004

(a) Dogpaw Lake Gold Property

The Company has acquired an option on the Dog Paw gold project which is located approximately 40 km east of Kenora, Ontario and consists of 23 claims totaling 269 units. The company has entered into an option agreement with Endurance Gold Corp (an unrelated company). whereby under the Initial Option the Company has earned a 70% interest in the property by making share payments totaling 400,000 shares and completing work commitments of $200,000 on the property. During the period, the Company earned in for the Second Option gaining a further 5% in the property by issuing a 50,000 common shares and spending an additional $250,000 on the property. After the Company has earned a 75% interest a joint venture will be formed on a 75% the Company and 25% Endurance Gold Corp. basis.

The share payments shall be issued as follows:

First Option	400,000 common shares (issued March 30, 2007)
Second Option	50,000 common shares (issued June 9, 2008)

The Dogpaw Lake Property lies within the central portion of the east-trending Wabigoon Sub-province and is host to numerous gold occurrences which have seen little exploration. This western part of the Wabigoon greenstone belt is an emerging gold camp with exciting drill intercepts coming from both Houston Lake Mining (Dubenski Showing) and Rainy River Resources (17 Zone, and ODM Zone).

The Company has recently completed a ground Induced Polarization (IP) survey, as well as a magnetic survey, to better define the prospective New Dogpaw Showing with assays up to 23.42 g/t gold (Endurance Gold, EDG-TSX.V website). The zone is hosted within a sericite schist with associated pyrite mineralization (up to 15%) within the Pipestone-Cameron Deformation Zone. A follow-up prospecting program will take place in the spring to ground truth geophysical anomalies in close proximity to known gold mineralization as well as follow-up on historic gold occurrences and prospective structures conducive to gold mineralization.

(b) Panama Lake Gold Property and Wicks Lake Gold Property

The Panama Lake Gold property is located in the southern portion of the Birch-Uchi Lake Greenstone belt in Northwestern Ontario and consists of 2 claims totaling 24 units. The Wicks Lake gold property is located in the Northwestern Ontario approximately 1.5 km south of the Dog Paw Gold property and consists of 1 claim totaling 11 units.

The properties were purchased from Stares Contracting Corp., a non-arms length related party, subject to a 2% NSR royalty. Consideration for the acquisition was $20,000 cash and 150,000 shares.

(c) Ogden Township Property – GoldCorp Option

During the period ended June 30, 2008, the Company signed a non-binding letter of intent with Goldcorp Canada Ltd. (“Goldcorp”) to jointly explore Goldcorp’s mining claims located in Ogden and Deloro Townships, located six km south of Timmins city centre, Ontario. The package consists of 84 patented and unpatented claims totaling approximately 1184 hectares (the “Property”) and covers eight kilometers of strike length along the east-west striking, highly prospective, Porcupine-Destor “Break”. The Dome Mine complex and five large past producers are located between three and eight kilometers to the east of the Property along the gold trend. Past production of these mines include: the Delnite (920,000 oz), Aunor (2,502,000 oz), Buffalo-Ankerite (957,000 oz), Paymaster (1,192,000 oz), and Preston (1,539,000 oz). Goldcorp’s current operation at the Dome Mine Complex is located 8 km from the Property, and has produced in excess of 16 million oz of gold to date. (Source: Government of Ontario, MNDM, Gold Production in the Timmins Regional Resident Geologist’s District to the end of 2006). Recent discoveries in the district include Lake Shore Gold’s Timmins West project, located 10 km to the west of the Property, along the same gold trend. This project is the focus of shaft sinking and underground development to access an Indicated Mineral Resource of 1,291,000 oz (Source: NR, TSX:LSG, Nov. 20,2006).

Within the Property, the Porcupine-Destor Break is represented as a sheared and altered contact between ultramafic and mafic volcanics. A discontinuous Timiskaming-aged conglomerate and a variety of felsic porphyries are found proximal to the Break and carbonate and sericite alteration is widespread. The Property hosts the past producing Naybob Mine, which had historic gold production of 50,731 oz (source: Government of Ontario, MNDM, Gold Production in the Timmins Regional Resident Geologist's District to the end of 2006). Drilling in the past has been wide spaced and shallow with most of the drilling concentrated near the Naybob Mine and a cluster of shallow holes in the Thomas Ogden Zone, located 4 km to the west. Prior to 2000, claim ownership and gold exploration was disjointed and the Property had been comprised of at least six separate packages. Since then, the properties have been combined and a more systematic exploration approach has been made possible. Goldcorp has recently completed several limited drill programs and a number of surveys including: a detailed high resolution magnetic survey, IP surveying, an airborne gravity survey and a variety of geological compilations on the Property. Drilling will be initiated once a formal agreement has been finalized and the various gold targets prioritized.

The agreement allows for the Company to earn 50% of Goldcorp's interest in the Property by funding total expenditures on the Property of $3,100,000 over four years as follows: (i) $400,000 in year one, (ii) $700,000 in year two and (iii) $1,000,000 in each of years three and four. The Company will also make cash and share payments to Goldcorp as follows: (i) $40,000 cash and $25,000 worth of common shares on signing, (ii) $35,000 cash and $25,000 worth of common shares on the first anniversary, (iii) $35,000 cash and $50,000 worth of common shares on the second anniversary, (iv) $100,000 worth of common shares on the third anniversary, and (v) $150,000 worth of common shares on the fourth anniversary. Within six months of the Company's vesting at 50% interest in the Property, Goldcorp has the option to buy back a 20% interest from the Company for a cash payment of up to $310,000, expending $4,100,000 on the property within two years, and completing a feasibility study within three years. The Company will be the operator of the Property during the earn-in period and afterwards, provided it holds a 50% or greater interest in the Property. If either party becomes diluted to a 10% interest, that interest will be converted into a 2% Net Smelter Return Royalty. Management of the Company feels this letter of intent will form the basis for a promising strategic acquisition.

(d) Sheffield Lake/Sops Arm Property

The Company has established a significant land package to explore for volcanic- hosted uranium deposits in north-central Newfoundland. Three separate claim blocks have been staked totaling 1,577 claims, owned 100% by the company. The properties cover 394 square kilometers of highly prospective radio-active volcanic rocks previously unexplored for Uranium.

The Company recently signed an agreement with Uranium City Resources Inc. whereby Uranium City can earn a 50% interest in the project by funding the next $1.4 million of exploration expenditures ($400,000 firm in the first year). An airborne radiometric and magnetic survey has now been completed over the Sheffield Lake/Sops Arm area. Preliminary results from the Sops Arm portion of the airborne survey have been received and over 50 priority Uranium targets have been identified. Ground follow-up prospecting and sampling has commenced on these targets. The Company will be the operator on this project. During the period, the Company recovered $202,476 from Uranium City representing costs incurred on the above property, under this agreement.

The Sop's Arm, Sheffield Lake and Sheffield North projects cover Silurian aged, sub-aerial felsic volcanic units and related younger intrusive rocks. Previous exploration was limited to grassroots programs aimed at gold mineralization, however, uranium was never a sought after commodity.

Since the Company acquired this package, Bayswater Uranium Corporation and Altius Resources alone have staked in excess of 12,100 claims covering 3049 square kilometers. This staking rush has been driven by significant discoveries of uranium showings hosted in rhyolites associated with a collapsed caldera complex. This geological setting is analogous to the systems associated with the Streltsovka caldera complex in Russia and the McDermitt caldera in Nevada.

Recent results from Bayswater's Whisker Valley claims, bordering to the north east of the Sheffield North claims, include values ranging 0.1% to 0.89% U_3O_8 (Bayswater PR, December 5, 2007) from the Amanda Zone.

(e) Gabbro Lake Property

The Gabbro Lake project consists of 313 claims located approximately 120 km Northeast of Labrador City, Labrador.

During the year, the Company entered into a formal joint venture agreement with Golden Dory Resources on the Gabbro Lake Project. Under the terms of the agreement the Company's 313 claim units and Golden Dory's 85 claim units will be combined into one contiguous block and a joint venture formed to explore the property on a 50:50 basis. The Company will be the operator.

(f) Tilt Cove Property

During the period ended June 30, 2008, the Company acquired by staking and option agreement a land package totaling 56 claim units, in four separate blocks, covering portions of the Betts Cove Ophiolite Suite on the Baie Verte Peninsula, Newfoundland. Three of the blocks were recently staked by the Company, while rights to the fourth were obtained through the execution of an option agreement with a local arm's length prospector (the "Option Agreement"). Pursuant to the Option Agreement, the Company has the option to earn a 100% interest in the claims forming the fourth block by making staged cash payments totaling $67,500 and issuing 220,000 shares to the optionor over three years. On production, the optioned claim block is subject to a 2% net smelter return in favor of the optionor, subject in turn to a 1% buyback right for the Company at the cost of $1.25 million. The optioned block includes the past producing Tilt Cove Mine which had historic production of 8 million tonnes of copper ore with minor gold and nickel production from 1864 to 1917 and again from 1957 to 1967 (source: Government of Newfoundland and Labrador, Mineral Occurrence Data system, File 002E/13/Cu001). Existing resources of copper and gold are reported from the claims however these reports are not compliant with National Instrument 43-101 "Standards for Disclosure of Mineral Projects", have not been verified, and will be the focus of the company's initial evaluation program.

During the period, surface sampling on the Tilt Cove Property has returned high grade gold (up to 69.39 g/t) and copper (up to 10.4%) assays from surface grab samples obtained during a recent prospecting program. This program was initiated to evaluate known mineralized areas in and around the past-producing Tilt Cove Mine site and test prospective areas for new mineralization. Historically the property has seen exploration targeting base metal mineralization with little or no assaying for gold. These gold assays indicate that there is strong potential to host gold mineralization throughout the Tilt cove property.

During the period, the on signing share option payment of 40,000 common shares of the Company were issued to the optioner pursuant to the signed option agreement.

(g) Staghorn Property

During the period, the Company entered into an option agreement with local prospectors to earn a 100% interest in a group of 76 claim units spread over 1216 hectares in the Wood Lake area in west central Newfoundland. The Staghorn Gold Property covers a number of gold showings including the South Wood Lake Porphyry Zone. This showing was initially found by the prospectors in 2002 as the result of gold panning and geochemistry which resulted in subsequent trenching and a limited diamond drill program. This work defined the porphyry as an approximately 20 meter to 50 plus meter wide altered "dyke", highly anomalous in gold and open in all directions. Two drill holes, 50 meters apart were drilled into the dyke and produced composite values of 1.47 g/t Au over 22.5 meters and 0.23 g/t Au over 52.9 meters (source: 2004/05 Assessment Report on The Staghorn Property for Candente Corp., December 2005 and (Source: NR, TSX:V - DNT, May 30, 2005). No further exploration has since been carried out. A review by the Company's management of the earlier ground geophysics carried out in 2004 has defined a magnetic low which is associated with the altered porphyry. This magnetic low anomaly can be traced over a 500 meter strike length and has only been tested by the two previously mentioned drill holes and the original trenching. Company management has initiated a program of linecutting, geological mapping, ground

geophysics, and soil sampling this summer. Once all the data has been compiled and priority targets have been generated, a diamond drill program will be initiated.

Terms of the option agreement include making a series of staged option payments totaling $95,000 and issuing 250,000 shares to the vendors over three years. The vendors will retain a 2% Net Smelter Royalty, 50% of which can be purchased for $1,000,000.

(h) Other Properties

Included in Other Properties (both Ontario and Newfoundland) are the Mundiregina Property; Cheeseman Lake Property; Newfoundland Dog Pond Property; Fraleck Property; Marconi Property; Currie Bowman Property; Bolton Bay Property; Taylor North Property; Junction Property; and miscellaneous Genex.

These projects are in early stage development and will be evaluated by management for further exploration in upcoming periods.

Wayne Reid, P.Geo, Vice President of Corporate Development for the Company and a qualified person as defined in National Instrument 43-101, is responsible for, and supervises the preparation of the information forming the basis for press releases

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has not entered into any off-balance sheet arrangements**.**

RELATED PARTY TRANSACTIONS

The transactions entered into by the Company and related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Company paid or accrued the following amounts to related parties during the period ended June 30, 2008:

Payee	Description of Relationship	Nature of Transaction	($)
Stares Contracting Corp.	Company controlled by Stephen Stares and Michael Stares, Directors	Payments for property claims exploration activities capitalized in deferred exploration expenditures and refundable security deposits	48,181 (2007: 88,693)
Stares Prospecting Ltd.	Director/Company controlled by Alexander Stares, Director and Officer	Payments for exploration activities capitalized in deferred exploration expenditures, and reimbursement of expenses	205,134 (2007: 42,607)
Alexander Stares	Director and Officer	Salary and reimbursement of expenses for advertising and promotion, travel and exploration activities capitalized in deferred exploration expenditures	52,361 (2007: 4,200)
Michael Stares	Director	Payment for exploration Activities, capitalized In deferred exploration expenditures	NIL (2007:10,860)
Michael MacIsaac	Officer	Salary and payment for exploration activities capitalized in deferred exploration expenditures, and reimbursement of expenses	88,355 (2007: NIL)
Wayne Reid	Director	Payment for exploration activities capitalized in deferred exploration expenditures and reimbursement of expenses	73,016 (2007: NIL)
Nick Tsimidis	Officer and Director	Payment for consulting fees and reimbursement of expenses	42,797 (2007: NIL)

Included in accounts payable and accrued liabilities at June 30, 2008 is:
- $1,413 (2007: $NIL) payable to Michael MacIsaac;
- NIL (2007: $20,000) payable to Stares Contracting Corp;
- $32,689 (2007: NIL) payable to Stares Prospecting Ltd.;
- $8,501 (2007: NIL) to Alexander Stares
- $12,461 (2007: NIL) to Wayne Reid

The purchases from/fees charged by related parties are in the normal course of operation and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

Financial Statements

The company has adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants (“CICA”) relating to financial statements.

Financial Statements – recognition and measurement (CICA Handbook Section 3855)

These standards set out criteria for the recognition and measurement of financial instruments for fiscal years on or after October 1, 2006. This standard required all financial instruments within its scope, including derivatives, to be included on a company’s balance sheet and measured either at fair value or, in certain circumstances when fair value may not be consideration the most relevant, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations and deficit.

All financial assets and liabilities are recognized when the company’s outstanding financial assets and liabilities at the effective date of adoption are recognized and measured in accordance with the new requirements as if these requirements had always been in effect.

All financial instruments are classified into one of the following five categories; held for trading, held-to-maturity, loans and receivable, available-for-sale financial assets or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depend on their initial classification.

Held for trading financial instruments are measured at fair value. All gains and losses are included in net loss in the period in which they arise.

Held-to-maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost. Amortization of premiums or discounts and losses due to impairment are included in current period net loss.

Available-for-sale financial assets are measured at fair value. Revaluation gains and losses are included in comprehensive income until the asset is removed from the balance sheet.

All derivative financial instruments are classified as held for trading financial instruments and are measured at fair value, even when they are part of a hedging relationship. All gains and losses are included in the net loss in the period in which they arise.

Hedging (CICA Handbook Section 3865)

This new standard specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. The company currently does not have any hedges.

Comprehensive Income (CICA Handbook Section 1530)

Comprehensive income is the change in shareholders’ equity during the period from transactions and other events from non-owner sources. This standard requires certain gains and losses that would otherwise be recorded as part of net loss to be presented in other “comprehensive income” until it is considered appropriate to recognize into net loss. This standard requires the presentation of comprehensive income, and its components in a separate financial statement that is displayed with the same prominence as the other financial statements. The company currently does not have any comprehensive income.

Capital Disclosures (CICA Handbook Section 1535)

CICA Handbook section 1535 requires disclosures of an entity's objectives, policies and process for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complies, the consequences of such non-compliance. The Company has included disclosures recommended by this new CICA Handbook section in note 10 of the interim consolidated financial statements for the period ended June 30, 2008.

International Financial Reporting Standards (IFRS)

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly accountable enterprises to use IFRS, replacing Canada's own GAAP. The transition date is for interim and annual financial statements relating to fiscal year's beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably determined at this time.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Cash and cash equivalents, short term investments, accrued interest receivable, G.S.T. receivable and accounts payable and accrued liabilities are carried at cost which approximates fair value due to the short-term maturity of these instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

OTHER MD&A REQUIREMENTS

Additional disclosure for Venture Issuers Without Significant Revenues:

There has been $1,059,490 incurred and capitalized as mineral properties and deferred exploration expenditures since inception of the Company.

Outstanding Share Data as at June 30, 2008

Class and Series of Securities	Number Outstanding	Expiry Date of Convertible Securities	Relevant Terms
Common Shares (outstanding as of August 26, 2008)	18,619,536		
Incentive Stock Options Incentive Stock Options Incentive Stock Options	689,500 910,000 200,000	September 16, 2009 April 29, 2011 June 4, 2011	$0.15 $0.25 $0.35
Share purchase warrants Broker warrants	1,855,250 120,000	December 2009 December 2009	$1.25 $1.00
Total common shares issuable upon exercise	22,394,286		

The Corporation is authorized to issue an unlimited number of voting shares and an unlimited number of preferred shares issuable in series.

During the period ended June 30, 2008, the Company granted 910,000 stock options to directors, officers, employees and consultants, with an exercise price of $0.25 and expire 3 years from grant date as well as 200,000 stock options to First Canadian Capital Corp. with an exercise price of $0.35 and expire 3 years from the grant date for investor relations services.

No additional shares, options or warrants were issued after the period end to the date of this MD&A.

DIVIDEND POLICY

No dividends have been paid on any shares of the Corporation since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

LEGAL PROCEEDINGS

To the knowledge of the Corporation, there are no actual or pending legal proceedings to which the Corporation is or is likely to be a party or of which any of its assets are likely to be subject.

INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTERS AND OTHERS

No director, officer, or promoter or other member of management of the Corporation, or any Associate or Affiliate of any such person, is or has been indebted to the Corporation.

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations, and situations may arise where the directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act (Ontario).

RISK FACTORS

Risks associated with exploration and mining operations

The exploration and development of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Corporation’s mineral properties. Even if such commercial quantities are subsequently discovered by the Corporation’s exploration efforts, there can be no assurance such properties can be brought in to commercial production.

Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Corporation. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Corporation does not have control may be encountered and may adversely affect the Corporation’s operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that future changes to environmental legislation may not adversely affect the Corporation’s operations.

Mineral Market

The market for minerals is subject to factors beyond the Corporation’s control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration and development activities, the Corporation will likely require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Corporation anticipates that it will be heavily reliant upon the experience and expertise of management with respect o the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Corporation could materially adversely affect the Corporation.

AUDITORS, TRANSFER AGENTS AND INVESTOR RELATIONS

The auditors of the Corporation are Wasserman Ramsay, Chartered Accountants of Markham, Ontario.

The Transfer Agent and Registrar for the Common Shares of the Corporation is Equity Transfer Services Inc. of Toronto, Ontario.

Investor Relations services are provided by The Windward Agency, and is based in Charlotte North Carolina as well as First Canadian Capital Corp, based in Toronto Ontario.

COMMITMENTS AND CONTINGENCIES

Except as otherwise discussed, the Company is in compliance with commitments required by contractual obligations in the normal course of business**.**

The Company raised $1,585,000 in the prior year, as a result of the issuance of flow-through shares. Under this arrangement, common shares are issued which transfer the tax deductibility of mineral property exploration expenditures to investors. Proceeds received on the issuance of these shares have been credit to capital stock and the related exploration costs will be charged to mineral properties and deferred exploration costs in the year in which they are incurred. Proceeds received from the issuance of flow-through are restricted to be used only for allowable Canadian resource property exploration expenditures within a two year period.

The Company intends to have incurred these expenditures by December 31, 2008.

SUBSEQUENT EVENT

Subsequent to June 30, 2008, the Company announced its intention to complete a non-brokered private placement with M Partners Inc. The proposed private placement will generate gross proceeds up to a maximum of $2 million through the issuance of units, comprised of both flow through and non-flow through common shares and common share purchase warrants. Actual determination of unit pricing and specified warrants attached to the abovementioned units as well as the number of units to be issued will be determined by the Company's Board of Directors depending on market prices and the determination of fair market value.

The Company will pay a finders fee to M Partners Inc. upon approval from the TSX Venture Exchange and subsequent closing of the private placement**.**

EVALUATION OF DISCLOURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and

Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the president and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the president, Chief Executive Officer, and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

FORWARD LOOKING STATEMENTS

This management discussion and analysis contains certain forward-looking statements relating but not limited to the Corporation's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Corporation undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.