WELCOME TO OUR MANAGEMENT DISCUSSION & ANALYSIS

This management discussion & analysis ("MD&A") includes information that will help you understand management's perspective of our unaudited condensed consolidated interim financial statements and notes thereto for the three months ended March 31, 2019. This information is based on what we knew on May 15, 2019. This MD&A includes statements and information about our expectations for the future and things that have not yet taken place. We highlight the section titled "Forward Looking Information" for further information.

We encourage you to read our audited financial statements and notes for the year ended December 31, 2018. You can find more information about Strategic Resources Inc., including our most recent filings on SEDAR, at www.sedar.com.

Unless we have otherwise specified, all dollar amounts are stated in Canadian dollars. The financial information included in this MD&A and in our unaudited condensed consolidated interim financial statements and notes is prepared according to International Financial Reporting Standards ("IFRS").

Throughout this document, the terms "we", "us", "our", "the Company", "Strategic" and "Strategic Resources" refer to Strategic Resources Inc. and its subsidiaries.

GENERAL

Strategic Resources Inc. (or the "Company") was incorporated in the province of Ontario on October 25, 2004 and was continued to British Columbia on June 7, 2016. The Company's registered office is at Owen Bird Law Corporation, 29th Floor, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J5. Strategic Resources Inc. is a Canadian based resource exploration company.

INVESTOR INFORMATION

Common Shares

The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "STI".

Auditor

Crowe MacKay LLP
1100-1177 West Hastings Street
Vancouver, British Columbia
Canada, V6E 4T5

Transfer Agent

TSX Trust Company is the registrar and transfer agent for the Company's common shares. For information on shareholdings, lost share certificates and address changes, contact:

TSX Trust Company
2700-650 West Georgia Street
Vancouver, British Columbia
Canada, V6B 4N9
604-696-4237

For Inquiries

mtommasi@gmail.com

COMPANY OVERVIEW

The Company is a mineral exploration and development company focused on vanadium and other metals necessary for an electrified economy. The Company has entered into two option agreements for mineral properties in northern Finland (see **Proposed Transactions**) and has made application for certain mineral concessions in Peru.

QUARTERLY RESULTS

Key things to note:

- The Company does not have any revenue generating activities;
- Individual quarterly results are not necessarily a good indication of annual results due to variations in expenditures as noted throughout this document; and
- Total assets will fluctuate depending on the activities during the quarter, including significant financings and if the expenditures qualify for classification as an asset.

Quarter Ended	Revenue ($)	Net Loss ($)	Basic and Diluted Loss Per Share ($)	Total Assets ($)	Long-Term Liabilities ($)	Cash Dividend ($)
March 31, 2019	-	(100,608)	(0.01)	93,890	-	-
December 31, 2018	-	(22,458)	(0.00)	36,762	-	-
September 30, 2018	-	(6,785)	(0.00)	43,564	-	-
June 30, 2018	-	(15,240)	(0.00)	58,311	-	-
March 31, 2018	-	(15,650)	(0.00)	67,350	-	-
December 31, 2017	-	(11,389)	(0.00)	86,328	-	-
September 30, 2017	-	(2,911)	(0.00)	94,672	-	-
June 30, 2017	-	(38,003)	(0.00)	97,510	-	-

The Company has been focused on investigating and evaluating new resource property opportunities. Net loss has fluctuated based on the expenses incurred related to evaluating opportunities. Total assets have been diminishing since the completion of the Company's private placement in 2016 as the Company has used the proceeds to fund working capital activities, including the evaluation of resource property opportunities. During the quarter ended March 31, 2019, the Company received loan proceeds of $100,000, and used those proceeds to fund operations, project evaluation and investigation costs, and the application of mineral concessions in Peru.

RESULTS OF OPERATIONS

	Three Months Ended March 31,			
	2019	2018	$ Change	% Change
Operating expenses				
Office and miscellaneous	$ 12,921	$ 9,996	2,925	29
Personnel	7,500	-	7,500	~
Professional	7,749	645	7,104	1,101
Project evaluation and investigation	72,438	5,009	67,429	1,346
Net loss for the period	$ 100,608	$ 15,650	84,958	543

During the three months ended March 31, 2019, the Company incurred a net loss of $100,608, as compared to $15,650 during the same period in the prior year. There was an increase in net loss of $84,958, or 543%, during the three months ended March 31, 2019, as compared to March 31, 2018. The majority of the net loss incurred was a result of project evaluation costs incurred related to the Finland projects (see **Proposed Transactions**). The increase in project evaluation and investigation expenses was 79% of the increase in net loss for the period. Significant operating expenses and variations of operating expenses incurred during the three months ended March 31, 2019, as compared to the same period in the previous year, were as follows:

Office and Miscellaneous	**2019**	**2018**	**Change ($)**	**Change (%)**
Expense	$12,921	$9,996	2,925	29

Office and miscellaneous expense includes the Company's transfer agent fees, stock exchange fees, annual general meeting costs, interest expense and other associated public company costs. The increase from the prior year equivalent period was not significant.

Personnel	**2019**	**2018**	**Change ($)**	**Change (%)**
Expense	$7,500	$-	7,500	~

Personnel expense includes the amounts charged by the Company's management for services rendered. Personnel expense increased as compared to the same period last year as a result of timing of charges incurred from the prior period. None of the current directors of the Company have a contractual arrangement with the Company for fees, which reflects the reduced activity in the Company. The amounts incurred during the current year were fees paid to the Company's Chief Financial Officer and Corporate Secretary.

Professional	**2019**	**2018**	**Change ($)**	**Change (%)**
Expense	$7,749	$645	7,104	1,101

Professional expense includes audit, tax and legal fees incurred by the Company. Professional expense increased during the current period as compared to the same period in the previous year due to the timing of accruals for certain professional fees and for the formation of a Peruvian subsidiary.

Project evaluation and investigation	2019	2018	Change ($)	Change (%)
Expense	$72,438	$5,009	67,429	1,346

Project evaluation and investigation costs consist of expenses incurred by the Company to evaluate and negotiate business opportunities. During the current period, the expense relates to legal services ($64,073) and geological consulting services ($8,365) related to the Finland projects (see **Proposed Transactions**). During the previous period the expense related to the write-off of a deposit.

LIQUIDITY AND CAPITAL RESOURCES

The Company's historical capital needs have been met by raising funds through the issuance of equity and debt instruments. As at March 31, 2019, the Company had cash and cash equivalents of $33,382 while its total liabilities amounted to $179,412. The Company does not have sufficient funds on hand to meet its ongoing operating requirements and its current obligations for the next twelve months and will need to raise additional funds for additional project evaluation and investigation requirements. Subsequent to March 31, 2019, the Company announced two mineral property option agreements and a proposed financing for $3,700,000 (see **Proposed Transactions).**

If an exploration program is successful, significant funds will be needed to develop the project with the eventual goal to prove out the resources and potentially to place it into commercial production. The only sources of future funds available to the Company are further offerings of either debt or equity capital of the Company, or the sale by the Company of an interest in any of its future properties, in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and shareholders may suffer dilution.

The Company has total contractual commitments as follows:

	Payments Due by Period				
Contractual Commitments as at March 31, 2019	**Total**	**Less than 1 Year**	**1-3 Years**	**4-5 Years**	**After 5 Years**
Accounts payable	$ 83,702	$ 83,702	$ -	$ -	$ -
Loans payable*	124,033	-	124,033	-	-
Total Contractual Commitments	**$ 207,735**	**$ 83,702**	**$ 124,033**	**$ -**	**$ -**

*Commitment of $124,033 assumes amount due on maturity. Current amount outstanding is $101,775

The long-term continuation of the Company as a going concern is dependent on its ability to attain future profitable operations and/or obtain continual additional equity capital or debt financing to continue to finance future operations as required. During its 2019 fiscal year, the Company does not expect to generate profits, as it does not have any revenue-generating activities as of the date of this MD&A. Until the Company reaches the point of generating sufficiently profitable operations to meet its ongoing operating requirements, the Company will need to continue raising funds. Should the Company be unable to continue as a going concern, the realization of any assets it owns may be at amounts significantly less than their carrying values.

Share Structure

As at May 15, 2019, the Company's share structure, basic and fully diluted, is shown below.

	Number of Instruments Outstanding	Weighted Average Exercise Price ($)	Potential Proceeds from Exercise ($)	Weighted Average Remaining Life of Derivative (years)
Common Shares	9,173,302	-	-	-
Warrants	434,780	0.23	99,999	1.88
	9,608,082		99,999	

The Company has a stock option plan that has been approved by the shareholders and the TSX-V. No options were outstanding under the stock option plan as at March 31, 2019 or the date of this MD&A.

See Proposed Transactions for discussion of option agreements and a proposed equity financing whereby, subject to TSX-V approval, the Company will issue up to 16,086,957 shares to close the proposed equity financing and up to 5,887,000 shares to close the proposed option agreements. To earn the full interest available under the option agreements, the Company may issue an additional 6,450,001 shares.

Cash Flows

	Three Months Ended March 31, 2019	2018
Cash and cash equivalents, beginning of the period	**$ 36,253**	$ 80,682
Cash and cash equivalents used by operating activities	**(53,435)**	(13,718)
Cash and cash equivalents from financing activities	**100,000**	-
Cash and cash equivalents used by investing activities	**(49,436)**	-
Cash and cash equivalents, end of the period	**$ 33,382**	$ 66,964

Cash and cash equivalents used by Operating Activities

Cash and cash equivalents used by operations was 290% higher during the three months ended March 31, 2019, as compared to the same period in 2018. In the current period, the Company's cash and cash equivalents were used to fund the operating expenses, including project evaluation and investigation costs, as they came due. In the previous period, the Company's cash was primarily used for operating expenses.

Cash and cash equivalents used by Investing Activities

During the three months ended March 31, 2019, the Company incurred expenditures for the application of approximately 11,700 hectares of Peruvian claims across six discrete land packages.

The Company did not have any investing activities during the three months ended March 31, 2018.

Cash and cash equivalents from Financing Activities

During the three months ended March 31, 2019, the Company entered into a loan agreement under which it received proceeds of $100,000. The loan bears a 12% per annum interest rate, is unsecured and will mature on the earlier of:

- February 5, 2021; and
- the date the Company closes an equity private placement of at least $1,000,000 (see **Proposed Transactions**).

The Company did not have any financing activities during the three months ended March 31, 2018.

Financial Condition

	March 31, 2019 ($)	December 31, 2018 ($)	Change ($)	Change (%)
Cash and cash equivalents	33,382	36,253	(2,871)	(8)
Total Assets	93,890	36,762	57,128	155
Total Debt	179,412	27,925	151,487	543
Working Capital (Deficit)	(39,248)	8,837	(48,085)	(544)

Assets

Of the total assets balance:

- 36% consists of cash and cash equivalents, which was a result of loan proceeds received during the quarter-ended March 31, 2019. The Company holds its cash and cash equivalents with a national chartered bank and is not exposed to significant credit, price or other financial instrument risk. The Company does not have any other significant financial assets.
- 53% consists of mineral properties as a result of the application of Peruvian claims.

Liabilities

The Company's liabilities consists of accounts payable and loan payable. The accounts payable consist of trade payables and accrued liabilities incurred in the normal course of business and become payable within 30 days of receiving the invoice. The Company incurred interest expense of $1,959 related to its loan payable. The Company does not have any significant interest rate, foreign exchange or other market risks related to its liabilities.

Contractual Obligations and Off-Balance Sheet Activities

The Company had no other material contractual obligations or off-balance sheet arrangements, except as disclosed in this MD&A.

RELATED PARTY TRANSACTIONS

The Company has no contractual commitment or arrangements with any of its related parties at March 31, 2019. The Company owed $7,500 to the Chief Financial Officer of the Company as at March 31, 2019 related to services rendered in the ordinary course of business. This amount is non-interest-bearing, unsecured and due on demand. There were no amounts owed to related parties as at December 31, 2018.

ADDITIONAL INFORMATION

Proposed Transactions

1. Mineral Property Option Agreements

   On April 10, 2019, the Company entered into two mineral property option agreements:

   I. Silasselkä Property ("Silasselkä")

   Silasselkä is owned by Aurion Resources Ltd. ("Aurion") and comprises claims, exploration permits, exploration permit applications and reservations totaling 25,933 hectares in northern Finland. Under the terms of the option agreement with Aurion, the Company may acquire up to a 100% interest in the Silasselkä property through a two stage earn-in agreement.

   Stage 1 to Acquire a 75% Stake in Silasselkä

   The Company may acquire a 75% stake in Silasselkä by:

   i. issuing 3,000,000 common shares to and paying $500,000 to Aurion upon closing;

   ii. issuing an additional 1,916,667 common shares to Aurion and spending $1,000,000 of exploration expenditures on Silasselkä before the date that is 12 months after closing; and

   iii. issuing an additional 1,916,667 common shares to Aurion and spending an additional $1,000,000 of exploration expenditures on Silasselkä before the date that is 24 months after closing.

   Stage 2 to Acquire a 100% interest in Silasselkä

   Once the Company has acquired a 75% interest in Silasselkä, it may increase its interest to 100% by issuing an additional 1,916,667 common shares to Aurion and spending an additional $1,000,000 of exploration expenditures on Silasselkä before the date that is 36 months after closing.

   A finder's fee of 387,000 shares will be payable in connection to the Aurion option agreement.

   If it is determined that Silasselkä contains at least 300,000 ounces of gold in the indicated mineral resource category or better, then the Company will issue 3,000,000 common shares to Aurion.

   A third party holds a 3% net smelter royalty ("NSR") on Silasselkä and other mineral properties owned by Aurion. Aurion has the right to buy the 3% NSR from the holder for €4,000,000 until May 2020. In the event Aurion acquires any or all of this NSR, the Company will have the option to purchase up to one-half of such NSR, as it pertains to the Silasselkä property, on a proportionate value basis.

   II. Akanvaara Property ("Akanvaara")

   Akanvaara is owned by Magnus Minerals OY ("Magnus") and comprises an exploration permit and reservation totaling 9,826 hectares in northern Finland. Under the terms of the option agreement with Magnus, the Company may acquire up to a 100% right, title and interest in Akanvaara through a two stage earn-in agreement.

   Stage 1 to Acquire a 70% interest in Akanvaara

   The Company may acquire a 70% interest in Akanvaara by:

i. issuing 2,500,000 common shares, and paying 25% of the value of the common shares on the date of closing in cash to Magnus (to a maximum of $200,000);

ii. spending $750,000 of exploration expenditures on Akanvaara before the date that is 24 months after closing; and

iii. granting a 0.7% NSR to Magnus.

Stage 2 to Acquire a 100% interest in Akanvaara

Once the Company has acquired a 70% interest in Akanvaara, it may increase its interest to 100% by:

i. issuing an additional 700,000 common shares to Magnus;

ii. spending $1,000,000 of exploration expenditures on Akanvaara before the date that is 36 months after closing; and

iii. granting an additional 0.3% NSR to Magnus to bring the total NSR to 1%.

Conditions to Closing

Closing of the option agreements is subject to a number of conditions precedent, including raising at least $2,000,000 (see **Proposed Financing** below) and TSX-V approval.

We believe the completion of these two option agreements will impact the Company as follows:

Financial Condition and Cash Flows

As outlined above, the Company will be required to fund acquisition payments to the property vendors and exploration expenditures on each project. The Company's financial condition, liquidity and solvency will be dependent on its ability to fund the required payments under the terms of each agreement and to fund the exploration programs to be undertaken. The expenditures pursuant to the option agreements are:

	At Close	Within 12 Months	Within 24 Months	Within 36 Months
Silasselkä				
Acquisition Expenditures	$ 500,000	$ -	$ -	$ -
Exploration Expenditures	-	1,000,000	1,000,000	1,000,000
Option Related Expenditures	500,000	1,000,000	1,000,000	1,000,000
Akanvaara				
Acquisition Expenditures	200,000	-	-	-
Exploration Expenditures	-	-	750,000	1,000,000
Option Related Expenditures	200,000	-	750,000	1,000,000
Total	$ 700,000	$ 1,000,000	$ 1,750,000	$ 2,000,000

The Company will need to raise additional funds if it wishes to complete its initial earn-in under both agreements.

Financial Performance

The Company will recognize exploration costs in its consolidated statement of comprehensive loss in the year incurred until such time as it has been determined that a property has economically recoverable resources. Once a property has economically recoverable resources, the exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment. Until such time as exploration costs will not qualify for capitalization, exploration expenditures to earn the respective interest in each project are expected to be expensed as follows:

	Within 12 Months of Close	Within 24 Months of Close	Within 36 Months of Close
Silasselkä Exploration Expenditures	$ 1,000,000	$ 1,000,000	$ 1,000,000
Akanvaara Exploration Expenditures	-	750,000	1,000,000
	$ 1,000,000	$ 1,750,000	$ 2,000,000

The Company may incur exploration expenditures in excess of the requirements under each respective agreement and the timing of expenditures incurred may be earlier than required. The Company anticipates increased operating expenses related to the business as a result of completing these acquisitions.

2. Proposed Financing

In conjunction with the two option agreements, the Company announced a private placement to sell 16,086,957 shares at a price of $0.23 per share for gross proceeds of $3,700,000. The private placement is subject to TSX Venture approval. Should the private placement close, the loan payable of $100,000 plus interest will mature. The use of proceeds of the proposed financing is to fund the cash portion of the acquisition, initial exploration expenditures required for the acquisitions, repayment of debt, and for general corporate purposes and working capital.

Internal Controls and Procedures

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 representation relating to the establishment and maintenance of:

a. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer 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
b. 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 issuer's generally accepted accounting policies.

The Company's certifying officers are responsible for ensuring processes are in place to provide them with sufficient knowledge to support the representations they are making in their certification.

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.

Critical Accounting Estimates

The Company's discussion and analysis are based on its unaudited condensed consolidated interim financial statements that have been prepared in accordance with IFRS. The preparation of the unaudited condensed consolidated interim financial statements requires management to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments, particularly those related to the determination of the impairment of long-lived assets.

As we are a venture issuer, we do not provide an analysis of our critical accounting estimates.

New Standards Not Yet Adopted

From time to time there are new standards, interpretations and amendments to existing standards not yet effective for the 2019 fiscal year, which have not been applied in preparing our condensed consolidated interim financial statements. There are no new standards, or standards amended but not yet adopted that are expected to have an impact on the Company's consolidated financial statements.

FORWARD-LOOKING INFORMATION

The financial information in the MD&A and in our condensed consolidated interim financial statements and notes are prepared according to IFRS. This MD&A includes statements and information about our expectations for the future. When we discuss our strategy, plans, future financial and operating performance, or other things that have not yet taken place, we are making statements considered to be forward-looking information or forward-looking statements under Canadian securities laws. We refer to them in this MD&A as *forward-looking information.*

Key things to understand about the forward-looking information in this MD&A:

- It typically includes words and phrases about the future, such as: "believe", "estimate", "anticipate", "expect", "plan", "intend", "predict", "goal", "target", "project", "potential", "strategy" and "outlook" (see examples below).
- It includes views of the industry, which is taken to mean the mining and resources industry and uses words such as: "sector", "industry", "segment" and "marketplace" interchangeably.
- It represents our current views and can change significantly.
- It represents our current views and can change significantly.
- It is based on a number of material assumptions that may prove to be incorrect.
- Actual results and events may be significantly different from what we currently expect due to the risks associated with our business.
- Forward-looking information is designed to help you understand management's current views of our near and longer term prospects and may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.

In particular, this MD&A may contain forward-looking statements pertaining to the following:

- The Company's business plans;
- The Company's operating history;

- The Company's lack of profitability;
- The Company's exploration, evaluation, investigation and development plans;
- Unpredictable changes to the market prices for resources and the Company's share price (in respect of both inputs and outputs);
- Political, economic and other associated risk;
- The Company's ability to attract and retain qualified management personnel;
- The Company's ability to obtain additional financing on satisfactory terms; and
- The Company's future investments and allocation of capital resources.

The Company has assessed the following material risks, but is not limited to:

- Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits that, though present, are insufficient in size to return a profit from production.
- The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals, and environmental protection.
- The vast majority of exploration projects do not result in the discovery of commercially mineable deposits of mineralized material. Substantial expenditures are required to establish mineralized material reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the mineralized material, and construct, renovate or expand mining and processing facilities.
- No assurance can be given that any level of recovery of mineralized material reserves will be realized or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable mineralized material body that can be legally and economically exploited in a future resource property of the Company.
- Market events and conditions, including disruptions in Canadian, United States and international credit markets and other financial systems, and the deterioration of the Canadian, United States and global economic conditions, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on the Company's ability to fund its working capital and other capital requirements.
- Currently, worldwide securities markets, particularly those in the United States and Canada, have continued to experience a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced unprecedented declines in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.
- Market forces may render it difficult or impossible for the Company to secure places to purchase new share issues at a price that will not lead to severe dilution to existing shareholders, or at all. Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.
- The Company's planned business of exploration of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring mining properties because it

must compete with other entities and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company.

- The operations of the Company require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all.
- The success of the Company's future operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its mineral properties; (ii) the ability to produce minerals from any mineral deposits that may be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability and the operating resources to develop and maintain the properties held by the Company. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities.
- The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any prospective properties in which the Company obtains an interest may be mined at a profit.
- Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of future exploration programs.

The Company has made the following material assumptions regarding, but not limited to:

1. Market conditions upon which we have based our capital expenditure expectations;
2. Liabilities inherent in our operations;
3. Political and economic risks;
4. Changes in regulation;
5. World resource commodity prices and markets;
6. Uncertainties associated with estimated market demand and sector activity levels;
7. Competition for, among other things, capital, acquisitions and skilled personnel;
8. Dependence on key personnel;
9. Employee relations and third-party relationships;
10. Our operations will not be significantly disrupted as a result of political instability, nationalization, terrorism, sabotage, blockades, civil unrest, social activism, political activism, equipment breakdown, natural disasters, government actions, political actions, litigation or arbitration proceedings, unavailability of equipment, parts and supplies critical to production and development, labour shortages, or other development or operating risks;
11. Our ability to comply with government, environmental and regulatory requirements;
12. Future expectations regarding tax rates and payments; and
13. Fluctuations in foreign exchange or interest rates and stock market volatility.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein.

The impact from the difference between estimates, predictions, projections, assumptions for future results, levels of activity, performance or achievements expressed or implied and actual results thereto could be material.