RTM
RT MINERALS CORP.

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RT MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED MAY 31, 2014

The following management discussion and analysis of the financial position of RT Minerals Corp. ("the Company") and results of operations of the Company should be read in conjunction with the unaudited condensed interim consolidated financial statements including the notes thereto for the period ending May 31, 2014 and the audited financial statements for the year ending November 30, 2013.

The accompanying unaudited condensed interim consolidated financial statements and related notes are presented in accordance with International Financial Reporting Standards for interim financial statements and accordingly do not include all disclosures required for annual financial statements. These statements, together with the following management's discussion and analysis dated **July 29, 2014** ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the MD&A may contain forward-looking statements.

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

Economic and industry factors are substantially unchanged with respect to a comparison of the Company's interim financial condition to the financial condition as at the most recently completed financial year end.

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

1. CORE BUSINESS

RT Minerals Corp. is a junior resource company engaged in the acquisition, exploration and evaluation of mineral properties in Canada and Guyana, South America for hosting gold and base metal deposits. The Company has entered into agreements to conduct exploration and mining operations on the following resource properties in Guyana, South America:

- **Mahdia Gold Property** – gold property located in the Potaro-Siparuni region of north eastern Guyana, South America;
- **Tiger River Gold Property** – gold property located in the County of Demerara approximately three hours' driving time south west of Georgetown, Guyana, South America;
- **Konawaruk Gold Property** – gold property located in the County of Demerara approximately four hours' driving time south west of Georgetown, Guyana, South America;
- **Demerara River Gold Property** – gold property located in the County of Demerara approximately four hours' driving time south west of Georgetown, Guyana, South America;

As of the date hereof, the Company also holds interests in the following mineral resource properties in Canada:

- **Bazooka Gold Property** – gold property located near Rouyn Noranda, Quebec in which the Company owns a 100% interest;
- **McWatters Gold Property** – gold property located near Rouyn Noranda, Quebec in which the Company owns a 100% interest; and
- **Golden Stock Gold Property** – gold property located near the Cairo Township in Matachewan, Ontario in which the Company owns a 100% interest subject to a 2% retained royalty.

The Company was incorporated on March 9, 2007 under the Business Corporations Act of British Columbia and is currently a reporting issuer in British Columbia, Alberta and Ontario. The Company's common shares were approved for listing on the TSX Venture Exchange ("TSXV") and commenced trading on August 5, 2011 under the symbol "RTM".

The condensed interim consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, RT Minerals Corp (Guyana) Inc. ("RTMG"). RTMG was incorporated in Guyana. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

1.1 Share Consolidation

On December 12, 2013, the Company received shareholders' approval of its proposed consolidation of the Company's issued and outstanding common shares on the basis of one (1) post-consolidation common share for every twelve (12) pre-consolidation common shares then issued and outstanding (the "Share Consolidation").

As a result of the share consolidation, the number of shares presented in this report and the calculated weighted average number of common shares issued and outstanding for the purpose of earnings per share calculation are based on the post-consolidation shares for all periods presented.

The Company's shares commenced trading on a post-consolidation basis on the TSXV effective December 17, 2013.

1.2 Private Placement

On December 27, 2013, the Company completed a non-brokered private placement consisting of 2,000,000 flow-through units (the "FT Units") and 8,000,000 non flow-through units (the "NFT Units") for aggregate gross proceeds of $500,000. Each FT Unit and NFT Unit is priced at $0.05 and is comprised of a share and a warrant exercisable at $0.06 for a term of two years (in the case of the FT Units) and five years (in the case of the NFT Units). The proceeds from the sale of the FT Units will be used for exploration activity on the Company's Canadian mineral properties, while the proceeds from the sale of the NFT Units will be used to settle outstanding liabilities and for general working capital.

1.3 Warrant Exercise

On June 30, 2014, 5,245,000 common share purchase warrants were exercised at $0.06 per share for gross proceeds of $314,700. On July 28, 2014, 1,050,000 common share purchase warrants were exercised at $0.06 per share for gross proceeds of $63,000. The warrant exercise proceeds were used to settle outstanding indebtedness and for general working capital.

1.4 Flow-through Subscriber Settlement

Pursuant to an agreement dated October 16, 2013, the Company reached the principal terms of a settlement with certain subscribers to the Company's December 2010 Private Placement to settle the issues arising from the estimated sundry shortfall of certain flow-through tax credits. Under the terms of the settlement, the Company paid the subscribers the amount of $116,245 and the subscribers executed releases of liability to the Company in January and February 2014.

1.5 Debt Settlement with Lake Shore Gold

On August 14, 2013, the Company sold its 25% interest in the Meunier-144 Joint Venture Gold Property located in Timmins, Ontario to Lake Shore Gold Corp. in settlement of $241,231 in related party indebtedness payable to Lake Shore Gold.

Following the December 27, 2013 share issuances, Lake Shore Gold Corp.'s ownership in the Company dropped from 27.1% to below 10% interest.

1.6 Shares for Debt Settlement

On January 22, 2014, the Company issued 304,260 common shares at a deemed price of $0.06 per share to settle $18,256 in office rent and overhead payable to a company with common directors. The shares were subject to a hold period and restricted from trading until May 23, 2014.

1.7 Golden Stock Property (Matachewan, Ontario)

On September 30, 2013, the Company signed an Agreement (the "Property Agreement") with an arms-length vendor to acquire the Golden Stock gold property located several kilometers north east of the Young-Davidson gold mine in northern Ontario. Under the terms of the Property Agreement, the Company acquired a 100% interest, subject to a 2% retained royalty, in the property and as consideration issued 1,000,000 post consolidation shares of the Company to the vendor on December 27, 2013.

1.8 Mahdia Property (Guyana, South America)

By an agreement (the "Mahdia Agreement") dated March 31, 2014, the Company acquired the right to conduct exploration and mining operations on three mining permits (the "Claims") located in the Potaro-Siparuni region of north eastern Guyana, South America. The Company has the exclusive right to explore and develop the most northerly Claim comprised of 1,165 acres, and non-exclusive rights to the remaining two Claims of 1,200 acres each, over the next five years by carrying out a Phase One surface alluvial exploration program and a Phase Two bulk sampling program within three months of signing the Mahdia Agreement. The Company has the option to extend the period for completing the work programs to up to six months by paying the Vendor USD $100,000 for each month beyond the initial three month period. To maintain its rights to the Claims and to advance the development of the Claims to commercial production, the Company is required to incur USD $4,000,000 annually in all costs related to the Claims. The Vendor is entitled to 15% of any gold or other minerals produced from the Claims.

1.9 Tiger River Property (Guyana, South America)

By an agreement dated June 28, 2014, the Company acquired the exclusive exploration rights to a mining claim (the "Tiger River" property) consisting of 1,200 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $10,000 per year and 15% of all gold produced from the alluvial operations..

2.0 Konawaruk Property (Guyana, South America)

By an agreement dated June 28, 2014, the Company acquired the exclusive exploration rights to two mining claims (the "Konawaruk" property) consisting of 2,400 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $20,000 per year and 15% of all gold produced from the alluvial operations.

2.1 Demerara River Property (Guyana, South America)

By an agreement dated June 30, 2014, the Company acquired the exclusive exploration rights to 51 mining claims (the "Demerara River" property) consisting of 1,100 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $20,000 per month.

2. OVERALL PERFORMANCE

2.1 Financial Condition

At May 31, 2014, the Company had not yet achieved profitable operations, has accumulated losses of $10,989,789 since inception and expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. Industry and economic factors continue to affect the Company's performance. Generally weak capital market conditions make it a challenge to raise equity financing to fund the Company's acquisition and exploration activities. These conditions are expected to continue over the next twelve months.

The Company had a working capital deficit of $242,039 at May 31, 2014 compared to a deficit of $373,939 at November 30, 2013.

Cash and cash equivalents were $3,852 at May 31, 2014 compared to $1,204 at November 30, 2013. The Company's sources and uses of cash are discussed in section 2.3 "*Cash Flows*" below.

Amounts receivable of $4,887 at May 31, 2014 (November 30, 2013 - $6,476) consist of GST input tax credits.

Prepaid expenses of $11,560 at May 31, 2014 (November 30, 2013 - $6,636) relate to ordinary operating expenses.

Exploration and evaluation assets of $179,117 at May 31, 2014 (November 30, 2013 - $50,000) consist of acquisition and exploration expenditures on the Company's Mahdia Guyana, Golden Stock, Bazooka and McWatters properties. During the six months ended May 31, 2014, the Company expended $51,232 on exploration expenditures on the Mahdia, Guyana property. The Company expended $75,000 on acquisition and $2,885 on exploration expenditures on the Golden Stock property. The Company expended $12,655 on exploration expenditures on the Bazooka and McWatters properties but recorded a write-down of these properties to their estimated recoverable amount of $50,000 after the decision was made to discontinue work on these properties (see section 4.0 "*Discussion of Operations*" below).

Trade and other payables were $151,142 at May 31, 2014 (November 30, 2013 - $311,570). Trade payable amounts are unsecured. Included in trade and other payables at November 30, 2013 was a provision of $116,245 for liability to indemnified FT shareholders that was discharged in January and February 2014.

Due to related parties was $111,196 at May 31, 2014 (November 30, 2013 - $76,685). Due to related parties represents amounts owing to directors, officers, companies with a common director, and shareholders who hold greater than a 10% interest in the Company for unpaid project management services, expenses and salaries, which are unsecured, non interest bearing and payable on demand.

2.2 Financial Performance

The Company is engaged in acquisition, exploration and evaluation activities in Canada and in Guyana, South America through the Company's 100% wholly owned subsidiary, RT Minerals Corp (Guyana) Inc. ("RTMG").

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a public company of its size. Net loss for the six months ended May 31, 2014 was $411,201 compared to a net loss of $138,174 for the six months ended May 31, 2013; or $0.03 per share compared to $0.02 per share for the 2013 comparative period.

Net loss for the three months ended May 31, 2014 was $232,345 compared to a net loss of $51,526 for the three months ended May 31, 2013; or $0.01 per share compared to $0.01 per share for the 2013 comparative period.

2.21 Other Income and Expenses

Other income and expenses totalled ($3,873) for the six months ended May 31, 2014 compared to $1,250 recorded for the 2013 comparative period. Other income and expenses totalled $1,846 for the three months ended May 31, 2014 compared to $nil recorded for the 2013 comparative period. The following is a breakdown of the material components of other income and expenses for the three and six months ended May 31, 2014 and 2013.

	Three months Ended May 31, 2014 $	Three months Ended May 31, 2013 $	Six months Ended May 31, 2014 $	Six months Ended May 31, 2013 $
Flow-through share premium	-	-	-	1,179
Gain (loss) on foreign exchange	1,846	-	(3,873)	-
Interest income	-	-	-	71
	1,846	-	(3,873)	1,250

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The liability portion of the flow-through premium for the shares issued is included in other liabilities, and de-recognition of the liability as expenditures are incurred is recognized as flow-through share premium on the statement of comprehensive income (loss).

Gain (loss) on foreign exchange arose from exposure to foreign currency fluctuations of financial instruments not denominated in Canadian dollars.

The Company's interest income is derived from its cash and term deposits held with BMO Bank of Montreal.

2.22 Total Expenses for the six months ended May 31, 2014

Total expenses for the six months ended May 31, 2014 were $407,328 compared to expenses of $139,424 recorded for the 2013 comparative period.

Depreciation expense was $nil for the six months ended May 31, 2014 compared to $1,148 recorded in the 2013 comparative period. The Company sold its office furniture for net book value of $6,698 in June 2013.

Employee costs were $221,946 for the six months ended May 31, 2014 compared to $69,813 recorded for the 2013 comparative period. Employee costs include administrative and consulting fees, management salaries, and share-based payments. Administrative and consulting fees increased by $90,831 over the 2013 comparative six month period due to the employment of a management consultant and the commencement of operations in Guyana. Management salaries decreased by $25,301 from the 2013 comparative period due to the reduction of office personnel. During the period, the Company granted

1,700,000 incentive stock options valued at $86,603. The following is a breakdown of the material components of employee costs for the six months ended May 31, 2014 and 2013.

	Six months ended May 31, 2014 $	Six months ended May 31, 2013 $
Administrative and consulting fees	123,446	32,615
Management salaries	11,897	37,198
Share-based payments	86,603	-
	221,946	69,813

Finance expense of $1,134 for the six months ended May 31, 2014 consists of $504 for financing cost and the balance is Part XII.6 tax. Finance expense of $20,510 for the six months ended May 31, 2013 consists of the estimated flow-through commitment to investors.

The following is a breakdown of the material components of the Company's general and administrative expenses for the six months ended May 31, 2014 and 2013.

	Six months ended May 31, 2014 $	Six months ended May 31, 2013 $
Accounting and audit fees	(3,485)	(5,589)
Filing fees	14,258	6,080
Investor communications	7,039	325
Legal fees	31,554	6,732
Office expenses	48,148	31,345
Transfer agent	4,841	1,527
Travel and automobile	69,238	7,533
	171,593	47,953

Accounting and audit fees were a recovery of $3,485 for the six months ended May 31, 2014 compared to a recovery of $5,589 recorded in the 2013 comparative period. The recoveries arose because the yearend audits were completed under budget.

Filing fees were $14,258 for the six months ended May 31, 2014 compared to $6,080 recorded in the 2013 comparative period. Filing fees are a function of activity and for the current period include costs related to the Company's share consolidation, share issuances and option grants.

Investor communications expenses were $7,039 for the six months ended May 31, 2014 compared to $325 recorded in the 2013 comparative period. Investor communications expenses include shareholder meetings and mailings, attendance at industry shows, and participation in investor relations programs undertaken to raise the profile of the Company. Investor communication expenses for the current period include the cost of two shareholder meetings.

Legal fees were $31,554 for the six months ended May 31, 2014 compared to $6,732 recorded in the 2013 comparative period. Legal fees for the current period include costs related to the Company's share consolidation, share issuances, settlement agreements, property acquisition agreements, shareholder meetings, and general corporate matters.

Office expenses were $48,148 for the six months ended May 31, 2014 compared to $31,345 recorded in the 2013 comparative period. Office expenses include rent, telephone, office supplies, and other expenditures incurred during the ordinary course of business.

Transfer agent fees were $4,841 for the six months ended May 31, 2014 compared to $1,527 recorded in the 2013 comparative period. Transfer agent fees for the current period include costs related to the Company's share consolidation and share issuances.

Travel and automobile expenses were $69,238 for the six months ended May 31, 2014 compared to $7,533 recorded in the 2013 comparative period. Travel expenses for the current period include costs related to the search for potential mineral property acquisitions in Guyana, South America.

Impairment of exploration and evaluation assets of $12,655 for the six months ended May 31, 2014 relate to the write down of the Bazooka and McWatters properties to their estimated fair market values.

2.23 Total Expenses for the three months ended May 31, 2014

Total expenses for the three months ended May 31, 2014 were $234,191 compared to expenses of $51,526 recorded for the 2013 comparative period.

Depreciation expense was $nil for the three months ended May 31, 2014 compared to $574 recorded in the 2013 comparative period. The Company sold its office furniture for net book value of $6,698 in June 2013.

Employee costs were $136,399 for the three months ended May 31, 2014 compared to $31,842 recorded for the 2013 comparative period. Employee costs include administrative and consulting fees, management salaries, and share-based payments. Administrative and consulting fees increased by $32,207 over the 2013 comparative quarter due to the employment of a management consultant and the commencement of operations in Guyana. Management salaries decreased by $14,253 from the 2013 comparative quarter due to the reduction of office personnel. During the quarter, the Company granted 1,700,000 incentive stock options valued at $86,603. The following is a breakdown of the material components of employee costs for the three months ended May 31, 2014 and 2013.

	Three months ended May 31, 2014 $	Three months ended May 31, 2013 $
Administrative and consulting fees	44,822	12,615
Management salaries	4,974	19,227
Share-based payments	86,603	-
	136,399	31,842

Finance expense of $975 for the three months ended May 31, 2014 consists of $504 in financing cost and the balance is Part XII.6 tax. Finance expense was $nil for the three months ended May 31, 2013.

The following is a breakdown of the material components of the Company's general and administrative expenses for the three months ended May 31, 2014 and 2013.

	Three months ended May 31, 2014 $	Three months ended May 31, 2013 $
Accounting and audit fees	(3,650)	(5,724)
Filing fees	4,098	4,755
Investor communications	4,776	130
Legal fees	12,888	5,853
Office expenses	22,703	11,461
Transfer agent	757	703
Travel and automobile	48,645	1,932

90,217	19,110

Accounting and audit fees were a recovery of $3,650 for the three months ended May 31, 2014 compared to a recovery of $5,724 recorded in the 2013 comparative period. The recoveries arose because the yearend audits were completed under budget.

Filing fees were $4,098 for the three months ended May 31, 2014 compared to $4,755 recorded in the 2013 comparative period.

Investor communications expenses were $4,776 for the three months ended May 31, 2014 compared to $130 recorded in the 2013 comparative period. Investor communications expenses include shareholder meetings and mailings, attendance at industry shows, and participation in investor relations programs undertaken to raise the profile of the Company. Investor communications expense for the current period includes the cost of a shareholder meeting.

Legal fees were $12,888 for the three months ended May 31, 2014 compared to $5,853 recorded in the 2013 comparative period. Legal fees for the current quarter include costs related to property acquisition agreements, shareholder meetings, and general corporate matters.

Office expenses were $22,703 for the three months ended May 31, 2014 compared to $11,461 recorded in the 2013 comparative period. Office expenses include rent, telephone, office supplies, and other expenditures incurred during the ordinary course of business.

Transfer agent fees were $757 for the three months ended May 31, 2014 compared to $703 recorded in the 2013 comparative period.

Travel and automobile expenses were $48,645 for the three months ended May 31, 2014 compared to $1,932 recorded in the 2013 comparative period. Travel expenses for the current quarter include costs related to the search for potential mineral property acquisitions in Guyana, South America.

2.3 Cash Flows

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was $476,706 for the six months ended May 31, 2014 compared to cash used of $90,777 for the 2013 comparative period.

Cash used in investing activities was $66,772 for the six months ended May 31, 2014 compared to cash of $6,476 used in investing activities for the 2013 comparative period, and relates to mineral property expenditures. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statement of cash flows and are comprised of $75,000 in share issuances included in exploration and evaluation assets and $18,256 in shares for debt settlement included in due to related parties.

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian (flow-though) qualifying exploration expenditures. The Company has indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

The Company is committed to spending the flow-through unit proceeds on exploration activities and to renouncing eligible Canadian Exploration Expenditures to the subscribers of the flow-through shares. This amount will not be available to the Company for future deduction from taxable income.

On December 30, 2010, the Company raised proceeds of $1,391,250 from the sale of flow-through common shares. The Company renounced $1,390,753 of eligible Canadian Exploration Expenditures to the subscribers of the flow-through units, and was required to incur that amount in qualifying exploration expenses before December 31, 2011 under the look-back rule. As at December 31, 2011, the Company had incurred $966,682 in qualifying exploration expenses. The Company paid $51,115 in Part XII.6 tax with respect to the renunciation. The Company had incurred $1,110,288 in qualifying exploration expenses as at December 31, 2012. Pursuant to an agreement dated October 16, 2013, the Company reached the principal terms of a settlement with the subscribers to the December 2010 Private Placements to settle the issues arising from the estimated sundry shortfall of the flow-through tax credits. Under the terms of the settlement, the Company paid the subscribers the amount of $116,245 and the subscribers executed releases of liability to the Company in January and February 2014.

On December 27, 2013, the Company raised gross proceeds of $100,000 from the sale of flow-through common shares. The Company is committed to spending the flow-through unit proceeds on exploration activities and to renouncing $99,800 of eligible Canadian Exploration Expenditures to the subscribers of the flow-through shares. This amount will not be available to the Company for future deduction from taxable income. The Company may have until December 2014 to complete its qualifying exploration expenditures under the look back rule. As at May 31, 2014, the Company had a remaining commitment to incur $93,925 in exploration expenditures and recorded $630 in Part XII.6 tax.

Cash provided by financing activities was $545,126 for the six months ended May 31, 2014 and consists of $500,000 in proceeds from share issuances, $257 in reversal of deferred share issue costs; $7,898 on share issue costs; and $52,767 in advances from related parties. Cash used in financing activities was $6,953 for the six months ended May 31, 2013 and consists of payments made to related parties.

3. SELECTED ANNUAL INFORMATION

N/A

4. DISCUSSION OF OPERATIONS – PROPERTY ACQUISITION, EXPLORATION AND EVALUATION

The Company is in the mineral exploration business and has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $179,117 as at May 31, 2014 (November 30, 2013 - $50,000).

The following is a breakdown of material components of exploration and evaluation asset expenditures on a property-by-property basis for the six months ended May 31, 2014 and 2013.

	Canada	Canada	Canada	Guyana	
	Bazooka $	McWatters $	Golden Stock $	Mahdia $	Total $
Balance at November 30, 2012	2,798,467	223,010	-	-	3,021,477
Exploration costs					
Administration	1,000	-	-	-	1,000
Data, drafting, reporting	510	510	-	-	1,020
Facility rental	7,500	-	-	-	7,500
Mineral Claims	519	304	-	-	823
Project management	4,169	3,600	-	-	7,769
Site meals, lodging, travel	135	-	-	-	135
	13,833	4,414	-	-	18,247
Balance at May 31, 2013	2,812,300	227,424	-	-	3,039,724
Exploration costs					
Administration	1,500	-	-	536	2,036

Data, drafting, reporting	405	-	405	4,622	5,432
Facility rental	6,750	-	-	-	6,750
Field crew expenses	-	-	-	629	629
Geology	-	-	-	2,009	2,009
Project management	2,000	2,000	2,480	24,698	31,178
Sampling	-	-	-	9,851	9,851
Site meals, lodging, auto	-	-	-	8,887	8,887
	10,655	2,000	2,885	51,232	66,772
Acquisition of property	-	-	75,000	-	75,000
Impairment	(10,655)	(2,000)	-	-	(12,655)
Balance at May 31, 2014	25,000	25,000	77,885	51,232	179,117

4.1 Bazooka and McWatters Properties – Rouyn Noranda, Quebec

By an agreement dated December 10, 2010, the Company acquired a 100% interest in the Bazooka and McWatters gold properties in Quebec from Lake Shore Gold Corp. Pursuant to the transaction, which was approved by the shareholders of the Company at a meeting held on December 30, 2010, the Company issued to LSG 833,333 common shares, and transferred its interest in the Golden Property near Timmins, Ontario and up to 50% of the Company's earned interest in the Meunier JV property to LSG in consideration for the transfer to the Company by LSG of a 100% interest in the advanced stage Bazooka gold property in Quebec and the McWatters gold property in Quebec, as well as a $500,000 cash payment (paid) to the Company by LSG upon the Company's exercise of the first option to earn an initial 25% interest on the Meunier JV property.

The Company made the decision to discontinue work on the properties and has recorded a write-down of $3,003,930 for the year ended November 30, 2013 and $12,655 for the six months ended May 31, 2014 for the difference between the estimated recoverable amount of $50,000 and the carrying value of the properties.

For complete disclosure of the Bazooka gold property, a NI 43-101 report dated November 26, 2010 may be viewed at www.sedar.com. A description of the work completed on the Bazooka and McWatters properties by the Company is outlined in the Company's previous Management Discussion and Analysis reports.

4.2 Golden Stock Property – Matachewan, Ontario

On September 30, 2013, the Company signed an Agreement (the "Property Agreement") with an arms-length vendor to acquire the Golden Stock property, located several kilometers north east of the Young-Davidson gold mine in northern Ontario. Under the terms of the Property Agreement, the Company would acquire a 100% interest, subject to a 2% retained royalty, in the property and as consideration would issue 1,000,000 post consolidation shares of the Company to the vendor. The shares were issued on December 27, 2013.

During the six months ended May 31, 2014, the Company expended $75,000 in acquisition costs and $2,885 in exploration expenditures on the Golden Stock property.

The claims are located in the Cairo Township and consist of 40 units within 4 mining claims, in the Larder Lake Mining Division of Ontario. The property is 50 km west of the Kirkland Lake Gold Camp (24 million ounces) and is located within the Matachewan Gold Camp (one million ounces). The producing Young-Davidson gold mine (3.8 million ounces) is 4 km to the west. Access to the claims is between Kirkland Lake and Matachewan off of highway 566 on to new logging roads.

The property is situated within the Cairo Stock, which consists of seyenite schists, massive to porphyritic and occasionally trachytic seyenites. The Larder Lake-Cadillac Defromation Zone traverses across the southern portion on the Cairo Stock. There are numerous gold showings within and on the contacts of the stock. Accessory minerals noted are pyrite (up to 15% locally); traces of chalcopyrite; molybdenite; and fluorite. Quartz veins are common.

4.3 Mahdia Property – Guyana, South America

By an agreement (the "Mahdia Agreement") dated March 31, 2014, the Company acquired the right to conduct exploration and mining operations on three mining permits (the "Claims") located in the Potaro-Siparuni region of north eastern Guyana, South America. The Company has the exclusive right to explore and develop the most northerly Claim comprised of 1,165 acres, and non-exclusive rights to the remaining two Claims of 1,200 acres each, over the next five years by carrying out a Phase One surface alluvial exploration program and a Phase Two bulk sampling program within three months of signing the Mahdia Agreement. The Company has the option to extend the period for completing the work programs to up to six months by paying the Vendor USD $100,000 for each month beyond the initial three month period. To maintain its rights to the Claims and to advance the development of the Claims to commercial production, the Company is required to incur USD $4,000,000 annually in all costs related to the Claims. The Vendor is entitled to 15% of any gold or other minerals produced from the Claims.

During the six months ended May 31, 2014, the Company expended $51,232 in exploration expenditures on the Mahdia property.

In June 2014, the Phase One exploration program on the Mahdia property was postponed due to adverse weather conditions that left the principal access road unavailable for continuous safe access to and egress from the property. The Company has advised the Vendor of the Force Majeure conditions and has requested an extension to complete the Phase One work and property payments to September 30, 2014. Discussions about the extension with the Vendor are ongoing at this time.

4.4 Tiger River, Konawaruk and Demerara River Properties – Guyana, South America

The Company has secured the exclusive exploration rights to the Tiger River, Konawaruk and Demerara River gold properties in Guyana, South America. These properties lie within the regional Makapa-Issano belt, which is part of a larger gold bearing system within the Guiana Shield that trends from Venezuela to French Guiana. The overall area of the Makapa-Issano trend, inside Guyana, has historically produced over 1 million ozs of alluvial gold (source: Guyana Geology and Mines Commission ("GGMC")) as well as covers the past producing Omai gold deposit (3.7 million ozs produced) located 40km to the northeast of these Company property acquisitions. In addition, the Eagle Mountain deposit (750,000 ozs Au- Gold Source Mines Inc.) and the Company's Mahdia property lease are located approximately 9km to the north west of the Tiger River, Konawaruk and Demerara River properties.

4.5 Tiger River Property – Guyana, South America

By an agreement dated June 28, 2014, the Company acquired the exclusive exploration rights to a mining claim (the "Tiger River" property) consisting of 1,200 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $10,000 per year and 15% of all gold produced from the alluvial operations.

The Tiger River property is located approximately three hours' driving time south west of Georgetown, Guyana. Historical alluvial mining operations have been carried out on the property. The property has excellent potential for in-situ alluvial gold mineralization as well as for gold bearing alluvial tailings from past dredging (sluice systems) where, reportedly (GGMC), less than 40% gold recovery may have been realized.

4.6 Konawaruk Property – Guyana, South America

By an agreement dated June 28, 2014, the Company acquired the exclusive exploration rights to two mining claims (the "Konawaruk" property) consisting of 2,400 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $20,000 per year and 15% of all gold produced from the alluvial operations.

The Konawaruk property is situated four hours' driving time south west of Georgetown, Guyana. The property has been subject to small scale past alluvial mining operations. Immediately west of this RTM property, during colonial times, alluvial dredging operations by British Guiana Mines Inc., reportedly produced over 100,000 ozs of gold (source: GGMC).

4.7 Demerara River Property – Guyana, South America

By an agreement dated June 30, 2014, the Company acquired the exclusive exploration rights to 51 mining claims (the "Demerara River" property) consisting of 1,100 acres located in north eastern Guyana, South America. The Company has the exclusive exploration rights on this property to November 30, 2014 whereupon the Company may elect to commence alluvial operations on the property by paying USD $20,000 per month.

The Demerara River property is located approximately four hours' driving time south west of Georgetown, Guyana. The property consists of 39 land and 12 water claims. The property has had small scale alluvial mining operations intermittently active since 1994. The Demerara River property covers part of the Roraima sedimentary package. The Roraima sedimentary package is similar to the host sedimentary unit of Witwatersrand, South Africa.

In July 2014, the Company will carry out a field program on the Demerara River property consisting of pit excavation, trenching, shallow Banka drilling, sampling and assaying. This program is estimated to cost $80,000 USD. The location of this property has not been affected by the heavy rains experienced in certain parts of Guyana over the past month.

5. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q2 May 31, 2014 $	Q1 Feb 28, 2014 $	Q4 Nov 30, 2013 $	Q3 Aug 31, 2013 $
Total revenue	-	-	-	-
Earnings (loss) from continuing operations for the period	(232,345)	(178,856)	(2,970,469)	221,372
Earnings (loss) for the period	(232,345)	(178,856)	(2,970,469)	221,372
Earnings (loss) per share, basic and diluted	(0.01)	(0.01)	(0.51)	0.04

	Q2 May 31, 2013 $	Q1 Feb 28, 2013 $	Q4 Nov 30, 2012 $	Q3 Aug 31, 2012 $
Total revenue	-	-	-	-
Earnings (loss) from continuing operations for the period	(51,526)	(86,648)	(135,218)	(502,846)
Earnings (loss) for the period	(51,526)	(86,648)	(135,218)	(502,846)

Earnings (loss) per share, basic and diluted	(0.01)	(0.01)	(0.02)	(0.09)

5.1 Total Revenue

Because the Company is in the exploration stage, it did not earn any significant revenue.

5.2 Earnings (Loss) for the Period

The following table presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements that helps to explain significant contributions to the variance in earnings (loss) across each period.

	Q2 May 31, 2014 $	**Q1 Feb 28, 2014 $**	**Q4 Nov 30, 2013 $**	**Q3 Aug 31, 2013 $**
Expenses				
Depreciation	-	-	-	-
Employee costs	136,399	85,547	97,917	1,660
Finance expense	975	159	(84,531)	-
General and administrative expenses	90,217	81,376	71,757	18,199
Impairment of exploration and evaluation asset	6,600	6,055	3,003,930	-
Total expenses	(234,191)	(173,137)	(3,089,073)	(19,859)
Other income and expenses	1,846	(5,719)	118,604	241,231
Net and comprehensive earnings (loss) for the period	(232,345)	(178,856)	(2,970,469)	221,372

	Q2 May 31, 2013 $	**Q1 Feb 28, 2013 $**	**Q4 Nov 30, 2012 $**	**Q3 Aug 31, 2012 $**
Expenses				
Depreciation	574	574	574	574
Employee costs	31,842	37,971	32,061	316,256
Finance expense	-	20,510	180,266	-
General and administrative expenses	19,110	28,843	70,536	44,106
Impairment of exploration and evaluation asset	-	-	-	-
Total expenses	(51,526)	(87,898)	(283,437)	(360,936)
Other income and expenses	-	1,250	148,219	(141,910)
Net and comprehensive earnings (loss) for the period	(51,526)	(86,648)	(135,218)	(502,846)

5.3 Total Expenses

Depreciation expense on office furniture has been consistent since its purchase in the quarter ended August 31, 2011. In June 2013, the Company sold its office furniture for net book value of $6,998.

Employee costs include share-based payments consisting of stock options, which are recorded at fair value on the date of grant, using the Black-Scholes option pricing model to estimate the fair value of stock options. This is a non-cash item. The fair value of stock options granted of $86,603 was recorded in the quarter ended May 31, 2014. The fair value of stock options granted of $126,637 was recorded in the quarter ended August 31, 2012. Consulting fees during the quarter ended November 30, 2013 include an accrual of USD $70,000 pursuant to an arm's length management consulting agreement that was signed on November 30, 2013 and deemed effective May 1, 2013. Consulting fees during the quarter ended August 31, 2012 includes $127,000 in severance and termination paid to the former President and CEO upon his resignation effective August 3, 2012, pursuant to his management contract with the Company.

Finance expense for the quarters ended May 31, 2014 and February 28, 2014 consists of Part XII.6 tax related to flow-through renunciation expenditures. Finance expense for the other periods related to flow-through commitment to investors.

General and administrative expenses for the quarters ended November 30, 2012 and November 30, 2013 include year-end audit provisions of $40,000 and $35,000 respectively.

Impairment of exploration and evaluation asset of the Bazooka and McWatters properties were $6,600 for the quarter ended May 31, 2014; $6,055 for the quarter ended February 28, 2014; and $3,003,930 for the quarter ended November 30, 2013.

5.4 Other Income and Expenses

Other income and expenses consist of unrealized loss on short term investments; flow-through share premiums; gain on disposal of short term investments; gain on disposal of exploration and evaluation assets; interest income; and loss on foreign exchange.

The following table presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim financial statements that helps to explain significant contributions to the variance in other income and expenses across each period.

	Q2 May 31, 2014 $	**Q1 Feb 28, 2014 $**	**Q4 Nov 30, 2013 $**	**Q3 Aug 31, 2013 $**
Unrealized loss on short term investments	-	-	-	-
Flow-through share premiums	-	-	120,242	-
Gain on disposal of short term investments	-	-	-	-
Gain on disposal of E&E assets	-	-	-	241,231
Gain (loss) on foreign exchange	1,846	(5,719)	(1,638)	-
Interest income	-	-	-	-
	1,846	(5,719)	118,604	241,231

	Q2 May 31, 2013 $	**Q1 Feb 28, 2013 $**	**Q4 Nov 30, 2012 $**	**Q3 Aug 31, 2012 $**
Unrealized loss on short term investments	-	-	-	9,000
Flow-through share premiums	-	1,179	147,928	(138,836)
Gain on disposal of short term investments	-	-	-	(12,760)
Gain on disposal of E&E assets	-	-	-	-
Gain (loss) on foreign exchange	-	-	-	-
Interest income	-	71	291	686
	-	1,250	148,219	(141,910)

Unrealized loss on short term investments measures the changes in fair value of the Company's investment in AGE.

Under IFRS, on issuance of flow-through shares, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

On May 25, 2010, the Company completed a private placement, consisting of the issue and sale of 4,000,000 flow-through units at a price of $0.20 per flow-through unit, for gross proceeds of $800,000. The premium paid by investors for the flow-through component of these shares was recorded as other liability of $48,000. As expenditures have been incurred, the Company has derecognized the liability and recognized flow-through share premium income as presented in the above table.

On December 30, 2010, the Company completed a private placement, consisting of the issue and sale of 9,390,000 flow-through units at a price of $0.20 per flow-through unit, for gross proceeds of $1,878,000. The premium paid by investors for the flow-through component of these shares was recorded as other liability of $375,600. As expenditures have been incurred, the Company has derecognized the liability and recognized flow-through share premium income as presented in the above table.

On December 30, 2010, the Company completed a private placement, consisting of the issue and sale of 4,968,750 flow-through units at a price of $0.28 per flow-through unit, for gross proceeds of $1,391,250. The premium paid by investors for the flow-through component of these shares was recorded as other liability of $596,250. As expenditures have been incurred, the Company has derecognized the liability and recognized flow-through share premium income as presented in the above table.

Gain on disposal of short term investments relates to sale of AGE.

Gain on disposal of exploration and evaluation assets of $241,231 for the quarter ended August 31, 2013 relates to the sale of the Meunier JV property previously written off in settlement of $241,231 in related party indebtedness payable to Lake Shore Gold.

The Company's interest income is derived from its cash and term deposits held with BMO Bank of Montreal.

6. LIQUIDITY

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management is uncertain that the Company will be able to meet its liabilities as they become payable in the coming twelve months, due to the Company's working capital deficit position. In order for the Company to continue as a going concern and meet its financial obligations, the Company will have to complete the sale of one or more of its properties or conclude an equity and/or debt financing, or combination of the aforementioned.

Cash and cash equivalents as at May 31, 2014 were $3,852 compared to $1,204 as at November 30, 2013. Working capital deficit was $242,039 at May 31, 2014 compared to a deficit of $373,939 at November 30, 2013. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's trading securities for the purposes of raising financing. The current state of equity markets presents a challenge to raise financing and Management believes that this condition will continue over the next twelve months.

As at May 31, 2014, the Company had amounts receivable of $4,887 that includes GST input tax credits and QST input tax returns receivable that have low liquidity risk.

The Company has total current liabilities of $262,338 at May 31, 2014. Trade and other payables of $311,570 at November 30, 2013 include a provision of $116,245 for the financial obligation to indemnified shareholders for flow-through exploration expenditures not made by December 31, 2012. Due to related parties of $111,196 include amounts owing to directors, officers, and companies with common directors for unpaid salaries, project management services and expenses. The Company has no debt or debt arrangements.

Based on the above financial condition at May 31, 2014, the Company may not be in a position to meet its financial obligations as they become payable in the coming twelve months.

On December 12, 2013, the Company received shareholders' approval of its proposed consolidation of the Company's issued and outstanding common shares on the basis of one (1) post-consolidation common share for every twelve (12) pre-consolidation common shares then issued and outstanding (the "Share Consolidation"). The Company's shares commenced trading on a post-consolidation basis on the TSXV effective December 17, 2013.

On December 27, 2013, the Company completed a non-brokered private placement consisting of 2,000,000 flow-through units (the "FT Units") and 8,000,000 non flow-through units (the "NFT Units") for aggregate gross proceeds of $500,000. Each FT Unit and NFT Unit is priced at $0.05 and is comprised of a share and a warrant exercisable at $0.06 for a term of two years (in the case of the FT Units) and five years (in the case of the NFT Units). The proceeds from the sale of the FT Units will be used for exploration activity on the Company's Canadian mineral properties, while the proceeds from the sale of the NFT Units will be used to settle outstanding liabilities and for general working capital.

Pursuant to an agreement dated October 16, 2013, the Company reached the principal terms of a settlement with certain subscribers to the Company's December 2010 Private Placement to settle the issues arising from the estimated sundry shortfall of certain flow-through tax credits. Under the terms of the settlement, the Company paid the subscribers the amount of $116,245 and the subscribers executed releases of liability to the Company in January and February 2014.

On January 22, 2014, the Company issued 304,260 common shares at a deemed price of $0.06 per share to settle $18,255.58 in office rent and overhead payable to a company with common directors. The shares were subject to a hold period and restricted from trading until May 23, 2014.

On June 4, 2014, the Company received a demand loan of $100,000 from an arm's length party, bearing interest at 8% per annum and with a loan fee payable of 10%. The demand loan was repaid on June 26, 2014 along with interest of $482 and loan fee of $10,000.

On July 9, 2014, the Company received a demand loan of $25,000 from an arm's length party, bearing interest at 8% per annum and with a loan fee payable of 10%.

On June 30, 2014, 5,245,000 common share purchase warrants were exercised at $0.06 per share for gross proceeds of $314,700. On July 28, 2014, 1,050,000 common share purchase warrants were exercised at $0.06 per share for gross proceeds of $63,000. The warrant exercise proceeds were used to settle outstanding indebtedness and for general working capital.

7. CAPITAL RESOURCES

The Company currently has no commitments for capital expenditures. The Company holds a 100% interest in its Bazooka, McWatters and Golden Stock (subject to retained royalty) properties, and as such, does not have any option commitments to maintain these properties in good standing. The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

8. OFF-BALANCE SHEET ARRANGEMENTS

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

9. TRANSACTIONS BETWEEN RELATED PARTIES

Pursuant to an agreement dated January 6, 2014, the Company agreed to settle $18,256 in indebtedness payable to a company with common directors that is co-tenant to the Company's office premises lease, with the issue of 304,260 shares of the Company having a deemed price of $0.06 per share. The indebtedness arose from office rent and expense recovery.

Office expenses of $9,505 (2013: $4,703) were charged by a company with common directors that is co-tenant to the Company's office premises lease. At May 31, 2014, $6,944 (May 31, 2013: $5,001) in amounts owing to the co-tenant was included in due to related parties.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer. Key management personnel compensation is comprised of the following:

	2014 $	2013 $
Short term employee benefits and director fees	84,338	43,291
Share-based payments	66,263	-
	150,601	43,291

Prepaid expenses at May 31, 2014 include $2,632 (May 31, 2013: $nil) in expense advances paid to a director.

Due to related parties at May 31, 2014 include $104,251 (May 31, 2013: $61,465) in amounts owing to directors, officers, and companies with common directors for unpaid project management services and expenses.

10. FOURTH QUARTER

N/A

11. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential joint venture partners, mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions.

12. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS

Each of the following new standards, IFRS 10 to 13 and the amendments to other standards, is effective for the Company beginning on December 1, 2013 unless otherwise noted. Management does not expect that the adoption of these standards and interpretations will have a significant effect on the financial statements of the Company other than additional disclosures.

i) IFRS 9, "Financial Instruments"

IFRS 9 is part of the IASB's wider project to replace IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for the Company beginning on or after December 1, 2017.

ii) IFRS 10, "Consolidated Financial Statements"

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 "Consolidation - Special Purpose Entities" and parts of IAS 27 "Consolidated and Separate Financial Statements".

iii) IFRS 11, "Joint Arrangements"

IFRS 11 describes the accounting for arrangements in which there is joint control; proportionate consolidation is not permitted for joint ventures (as newly defined). IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers.

iv) IFRS 12, "Interest in other Entities"

IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

v) IFRS 13, "Fair Value Measurement"

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.

vi) IAS 1, "Presentation of Financial Statements"

In June 2011, the IASB issued an amendment to IAS 1, which requires entities to separately present items in other comprehensive income based on whether or not they may be recycled to profit or loss in future periods.

vii) IFRIC 20, "Stripping Costs in the Production Phase of a Surface Mine"

IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. Stripping activity may result in two types of benefits: i) inventory produced and ii) improved access to ore that will be mined in the future. Stripping costs associated with inventory production should be accounted for as a current production cost in accordance with IAS 2 "Inventories", and those associated with improved access to ore should be accounted for as an addition to, or enhancement of, an existing asset.

viii) IAS 32, "Financial Instruments: Presentation"

In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7 "Financial Instruments: Disclosures".

ix) IAS 36, "Impairment of Assets"

In May 2013, the IASB issued an amendment to address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

x) IAS 39, "Financial Instruments: Recognition and Measurement"

In June 2013, the IASB issued a narrow scope amendment to IAS 39. Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided that certain criteria are met.

xi) IFRIC 21, "Levies"

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and those where the timing and amount of the levy is certain.

xii) Amendments to other standards

In addition, there have been other amendments to existing standards, including IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

13. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Fair values

The Company's financial instruments include cash and cash equivalents, term deposits, trade payables and amounts due to related parties. The fair value of these financial instruments approximates their carrying values due to the relative short-term maturity of these instruments.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	May 31, 2014		**November 30, 2013**	
	Fair Value $	Carrying Value $	Fair Value $	Carrying Value $
FVTPL asset (i)	3,852	3,852	1,204	1,204

(i) Cash and cash equivalents

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 - Inputs for the asset or liability that are not based on observable market data

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Level 1	**Level 2**	**Level 3**	**As at May 31, 2014**
	$	$	$	$
Cash	3,852	-	-	3,852

The Company believes the recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates.

Credit Risk

Credit risk is the risk of an unexpected loss associated with counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash and cash equivalents and amounts receivable. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash and cash equivalents with high credit chartered Canadian financial institutions. As at May 31, 2014, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its accounts payable and amounts due to related parties. The Company handles its liquidity risk through the management of its capital structure as described in Note 14 of the financial statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

The following are the contractual maturities of financial liabilities as at May 31, 2014:

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 years	Over 3 years
	$	$	$	$	$	$
Trade payables	151,142	151,142	151,142	-	-	-
Due to related parties	111,196	111,196	111,196	-	-	-
Total	262,338	262,338	262,338	-	-	-

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices.

Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The Company's Guyana subsidiary is exposed to currency risk as it incurs expenditures that are denominated in US dollars while its functional currency is the Canadian dollar.

14. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets. As at July 29, 2014, the Company has 23,438,066 common shares issued and outstanding.

	Number of Shares	Issue Price	Amount
			$
Balance at May 31, 2014	17,143,066		9,629,702
Shares issued via warrant exercise	6,295,000	$0.06	377,700
Balance at July 29, 2014	23,438,066		10,007,402

As at July 29, 2014, the Company has 550,000 share purchase warrants exercisable at $0.06 until December 27, 2015, and 3,155,000 share purchase warrants exercisable at $0.06 until December 27, 2018.

As at July 29, 2014, the Company had 1,700,000 outstanding stock options.

15. BOARD OF DIRECTORS AND OFFICERS

The directors of the Company are Paul Antoniazzi (President and CEO), Roy Mlakar (Vice President), Fred Kiernicki, and Alexander (Sandy) Bain. Sandra Wong is Chief Financial Officer and Corporate Secretary. Michael O'Brien is the Vice President of Corporate Development.

16. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion and Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the period ended May 31, 2014 filed with the securities regulatory authorities in Canada and available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

17. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and the minority of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors. The Company's auditors have full and free access to the Audit Committee.

On behalf of the Board,

RT MINERALS CORP.

Paul Antoniazzi,
President and CEO