CORDOBA
MINERALS CORP.

(formerly Wesgold Minerals Inc.)

(the "Company")

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended April 30, 2012

General

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the audited annual financial statements of the Company for the year ended April 30, 2012. The following information, prepared as of August 16, 2012, should be read in conjunction with the April 30, 2012 financial statements. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Description of Business

Cordoba Minerals Corp. is a Vancouver-based mineral exploration company focused on the acquisition and exploration of gold and copper projects in Colombia. Effective April 30, 2012, the Company changed its name from Wesgold Minerals Inc. to Cordoba Minerals Corp.

Property Review

Cordoba Property, Colombia

Pursuant to an agreement signed in June 2011 and re-stated in July 2011, the Company has been granted the option to acquire up to a 51% interest in a Colombian mineral target known as the Cordoba Property from

Minatura International LLC ("Minatura"). The Cordoba Property consists of four granted mining concessions, four pending concession agreements, and five concession applications covering 25,790 hectares in the Department of Cordoba, Colombia, 200km north of the city of Medellin, which are prospective for iron-oxide-copper-gold style (IOCG) mineral deposits.

Agreement

The terms of the transaction are as follows:

- The Company loaned $2,000,000 (the "Loan") to Minatura, the Loan being secured by the Cordoba Property.
- On March 30, 2012, the Company acquired an initial 11% interest in the Cordoba Property (through the purchase of shares in a wholly-owned subsidiary of Minatura) by paying $2,030,000 to Minatura and forgiving the Loan (for a total cash cost of $4,030,000), and issuing to Minatura warrants to purchase up to 5,000,000 common shares of the Company at a price of $0.40 per share.
- As of completion of the acquisition of the 11% interest, the Company was granted an option (the "Option") to acquire an additional 40% interest (for a total of 51%) in the Cordoba Property by expending $15,000,000 on exploration of the Property and paying to Minatura an additional $2,000,000 within 2.5 years from the date of issuance of certain drilling permits for the Property ("the Drilling Permits"). When the Drilling Permits are issued, $5,000,000 of the $15,000,000 exploration expenditures will become a firm commitment, and must be incurred within twelve months of the issuance of the Drilling Permits.
- Upon the Company incurring the $5,000,000 of exploration expenditures and agreeing to continue with the Option, the 5,000,000 warrants held by Minatura become exercisable with an expiry date being the later of September 15, 2015 and thirty months following the receipt of the Drilling Permits.
- If the Company acquires the 51% interest, Minatura will have a one-time right to sell its remaining 49% interest in the Cordoba Property to the Company in consideration for shares in the Company. The issuance of these shares would be subject to approval by the Company's shareholders at that time.
- If the sale of the remaining 49% interest to the Company is not completed within 120 days after Minatura has agreed to sell such interest, Minatura will have a one-time right to purchase a 2% interest from the Company for $1,000, resulting in the Company holding a 49% interest and Minatura holding a 51% interest in the Cordoba Property.

A copy of the Company's agreement with Minatura is available for viewing on SEDAR.

The Cordoba Property

The Cordoba Property is located in the Municipality of Puerto Libertador, in the Department of Cordoba, Colombia. The Property lies adjacent to the San Pedro River and covers approximately 26,000 hectares of under explored marine volcano-sedimentary and intrusive rocks. The target rocks are part of the Cretaceous Calima terrane, which is believed to be highly prospective for Iron-Oxide-Copper-Gold (IOCG), porphyry and skarn type deposits. Numerous artisanal gold workings occur throughout the Cordoba Property which has seen small scale artisanal production for over 30 years. Recent gold discoveries in Colombia, including Anglogold Ashanti's La Colossa gold porphyry, have highlighted the world-class potential of the country.

The Property is at an early stage, however the discovery of a robust quartz/magnetite stockwork system hosted by porphyry intrusive and volcanic rocks, returning significant copper-gold grades and situated along an inferred extension of the Middle Cauca Gold Belt of Colombia, indicates this large property has excellent potential. This belt is known to be highly prospective for copper-gold mineralization, with over 50 million ounces of gold being discovered in just the last five years. The Cordoba Property has never been drilled tested or seen any methodical exploration until now.

Work completed to date includes a 1310 line kilometre regional airborne Magnetometer and Radiometric survey covering 216 square kilometres of the northern half of the Property, and preliminary hand trenching and rock sampling in the central target area, in and around an artisanal open pit mine. Initial trench results in this area returned significant values such as: 18 metres of 1.35 g/t gold with 0.54% copper; 21 metres of 1.76 g/t gold with 0.32% copper; and 17 metres of 0.94 g/t gold with 0.69% copper (see news release of March 1, 2012). Soil sampling over a larger area surrounding the pit has returned encouraging copper-gold anomalies over a 500 x 700 meter area, which remains open to the south, northwest and east.

Exploration work is currently proceeding on a restricted basis, consisting of low impact prospecting, soil and rock sampling and hand trenching, until such time as concessions applications are formally approved. Results for this work are pending. The Company is not aware of any issues which would prevent final government approval of the concessions and expects such approval. Once formal approval is received, exploration work will ramp up to include machine trenching, additional geophysical surveying and drilling. Environmental and water permits for drilling are currently being prepared for submission, for a phase one program of 5,000 metres of drilling in an artisanal mining area.

Qualified Person: The Company's President, Peter Thiersch, M.Sc. P.Geo. (APEGBC), is a Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of the technical information in this MD&A.

Selected Annual Information

The following table provides information for the fiscal years ended April 30, 2012 and 2011 and the period ended April 30, 2010:

	2012 ($) IFRS	2011 ($) IFRS	2010(1) ($) CGAAP(2)
Exploration expenditures	1,108,919	376,959	114,746
General and administrative expenses	940,857	295,862	17,974
Net loss	2,255,120	622,821	99,540
Loss per share - basic and diluted	0.27	0.14	0.04
Total assets	6,222,873	359,816	73,247
Total liabilities	163,501	30,952	6,737
Shareholders' equity	6,059,372	328,864	66,510

(1) Period from incorporation on October 20, 2009 to April 30, 2010.
(2) Figures for period ended April 30, 2010 expressed under Canadian Generally Accepted Accounting Principles ("CGAAP").

Selected Quarterly Information

The following table provides information for the eight fiscal quarters ended April 30, 2012:

	Apr. 30, 2012 ($)	**Jan. 31, 2012 ($)**	**Oct. 31, 2011 ($)**	**Jul. 31, 2011 ($)**	**Apr. 30, 2011 ($)**	**Jan. 31, 2011 ($)**	**Oct. 31, 2010 ($)**	**Jul. 31, 2010 ($)**
Exploration expenditures	1,055,280	9,204	20,348	24,087	1,564	7,706	367,455	234
General and administrative expenses	416,501	118,310	344,488	61,558	216,238	26,226	43,326	10,072
Net loss	1,489,858	123,376	365,170	276,716	217,802	33,932	360,781	10,306
Loss per share - basic and diluted	0.0118	0.014	0.063	0.048	0.038	0.006	0.098	0.003
Total assets	6,222,873	2,899,830	3,021,298	2,302,084	359,816	407,289	748,456	92,993
Total liabilities	163,501	1,109,247	3,039,102	2,238,936	30,952	25,031	432,266	15,594
Shareholders' equity (deficiency)	6,059,372	1,790,583	(17,804)	63,148	328,864	382,258	316,190	77,399

* Figures for all quarters expressed under IFRS

The Company had minimal exploration activity during the first seven quarters shown except for an exploration program on the Snowcap property in the Yukon during the quarter ended October 31, 2010. Exploration costs significantly increased in the most recent quarter due to the start of exploration activity on the Cordoba Property in Colombia . General and administrative expenses were fairly low until the five most recent quarters as the Company became more active with property investigation and corporate activities. The general and administrative expenses amount for the quarter ended April 30, 2011 includes a stock-based compensation charge of $164,408 while the amounts for the quarters ended October 31, 2011 and April 30, 2012 include $200,000 and $300,000 respectively in finance costs which is the value of shares issued as part of loan agreements.

Total assets have become significantly higher than earlier quarters due to $4.63 million in capitalized acquisition costs involving the Cordoba Property agreement. Total liabilities were significantly higher during the three quarters ended January 31, 2012 due to a convertible debenture issuance and a short term loan. Both liabilities were either converted to shares or fully settled prior to the end of the most recent quarter.

Results of Operations

Year Ended April 30, 2012

For the year ended April 30, 2012, the Company recorded a net loss of $2,255,120 compared to $622,821 for the comparative year, an increase of $1,632,299. During the current year, exploration costs totalled $1,108,919 compared to $376,959 in the comparative year, an increase of $731,960. The exploration expenditures during the current year were primarily related to the Cordoba Property while the exploration costs in the comparative year were from a drill program on the formerly held Snowcap property in the Yukon. General and administrative costs during the current year totalled $940,857 compared to $295,862 in the comparative year, an increase of $644,995. The current year's general and administrative costs included non-cash share-based expense items of $500,000 for finance costs and $26,436 for stock option share-based compensation. The comparative year did not have any finance costs but it did record $164,408 in share-based compensation. While there were cost increases in almost all other general and administrative expenses, the most notable increases incurred in travel, salaries and benefits, interest charges, shareholder communications, and office and administration. Travel costs are higher due to an increase in on-site requirements in Colombia. Interest charges were related to debentures that were issued and converted to common shares during the year. Salaries and benefits, shareholder communications, and office and administration costs were higher due to business activity and administrative requirements being substantially greater during the current year. Legal fees of $201,048 incurred during the current year regarding the Cordoba Property agreement were capitalized as exploration and evaluation asset acquisition costs. Another item that contributed to the current year having a higher net loss was a write-off of exploration and evaluation assets charge of $191,000 regarding the Snowcap property. The comparative year recorded no such charge but did include a $50,000 deferred income tax recovery which decreased the loss for that year.

Quarter Ended April 30, 2012

For the three month period ended April 30, 2012, the Company recorded a net loss of $1,489,858 compared to $217,802 for the comparative quarter, an increase of $1,272,056. During the current quarter, exploration costs totalled $1,055,280 compared to $1,564 in the comparative quarter, an increase of $1,053,716. Exploration expenditures relating to the Cordoba Property began during the current quarter while there was almost no exploration activity during the comparative quarter. General and administrative costs during the current quarter totalled $416,501 compared to $216,238 in the comparative quarter, an increase of $200,263. The current quarter's expenses were significantly impacted by a share-based finance charge of $300,000, while the comparative period recorded a share-based compensation charge of $164,408. A higher level of other general and administrative costs were recorded in the current quarter, with the most notable increases in travel, salaries and benefits, shareholder communications, and regulatory fees. These costs were higher primarily due to the same reasons given in the annual comparison above.

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no cash flow from operations. Its sources of funds during the past fiscal year have been from the issuance of convertible debentures for proceeds of $2.0 million, two short term bridge loans of $1.0 million and US$1.5 million, and two private placements totalling $5.15 million in gross proceeds. Prior to the April 30, 2012 year end, all outstanding debentures were converted to common shares and the two bridge loans, which were non-interest bearing, were settled in full. In consideration for the $1.0 million loan, the Company issued to the lender 200,000 common shares of the Company and for the US$1.5 million loan, 400,000 common shares of the Company were issued.

As at April 30, 2012, the Company had current assets totaling $1,575,275 and current liabilities totaling $163,501, resulting in working capital of $1,411,774. The Company used proceeds raised from the convertible debentures and partial proceeds from the private placements to pay at total of $4.03 million to Minatura to acquire the initial 11% interest in the Cordoba property. A portion of the private placement proceeds were also used to settle the two bridge loans. The remaining proceeds are being used for general working capital requirements. The Company does not expect its current capital resources to be sufficient to carry its operating costs and carry out its proposed exploration programs through the next twelve months. As such, the Company will seek to raise additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto.

Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to advance its mineral properties. The Company defines its capital as all components of equity and short-term debt. The Company manages its capital structure and makes adjustments to it to effectively support the acquisition and exploration of mineral properties. The property in which the Company currently has an interest is in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administrative costs, the Company will spend its existing working capital and seek to raise additional amounts as needed by way of equity financing or debt. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's investment policy is to hold cash in interest-bearing bank accounts or highly liquid short-term interest-bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. There have been no changes to the Company's approach to capital management during the year ended April 30, 2012.

Financial Instruments and Risk Management

The Company is exposed to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and other receivables. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash invested in asset-based commercial paper. For other receivables, the Company estimates, on a continuing basis, the probable losses and provides a provision for losses based on the estimated realizable value. The Company is not exposed to significant credit risk as the majority of the balance is due from government agencies.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. At April 30, 2012, the Company had cash of $1,337,889 (April 30, 2011: $116,084, May 1, 2010: $61,725) available to apply against short-term business requirements and current liabilities of $163,501 (April 30, 2011: $30,952, May 1, 2010: $5,542). All of the Company's financial liabilities have contractual maturities of less than 45 days and are subject to normal trade terms.

(c) Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign currency rates and other market 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.

i) Currency Risk

The Company is exposed to financial risk related to the fluctuation of foreign currency rates. The Company operates in Canada and Colombia. A portion of the Company's expenses are incurred in US dollars. A significant change in the exchange rate between the Canadian dollar relative to the US dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. As at April 30, 2012, the Company had the Canadian equivalent of cash totalling \$587,800 (2011: \$Nil, 2010: \$Nil) held in US dollars and liabilities totalling \$240 (2011: \$2,525, 2010: \$Nil) owed in US dollars.

Based on the above net exposure as at April 30, 2012, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of approximately \$58,800 (2011: \$300, 2010: \$Nil) in the Company's net loss and comprehensive loss for the year.

ii) Interest Rate Risk

Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company considers interest rate risk to be immaterial.

iii) Other Price Risk

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

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amounts for accounts payable and accrued liabilities and due to related parties approximate fair values due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

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 (unobservable inputs).

As at April 30, 2012, the Company's financial instruments are comprised of cash, due from related parties, accounts payable and accrued liabilities, and due to related parties. With the exception of cash, all financial instruments held by the Company are measured at amortized cost.

Related Party Transactions

The Company had transactions during the year ended April 30, 2012 with related parties who consisted of directors, officers and the following companies with common directors:

Related party	Nature of transactions
Radius Gold Inc. ("Radius")	Shared office, administration, and personnel costs
Voyager Gold Corp. ("Voyager")	Shared personnel costs
Mill Street Services Ltd. ("Mill Street")	Management services

During the year ended April 30, 2012, the Company paid or made provision for the future payment of the following amounts to related parties:

i) $193,613 (2011: $53,188) in office and administration, salaries and benefits, exploration related costs, and leasehold improvement costs to Radius, a company with common directors and officers. Radius is reimbursed by the Company for these shared costs and other business related expenses paid by Radius on behalf of the Company. Salary and benefits include those for the Chief Financial Officer and Corporate Secretary;

ii) $30,000 (2011: $Nil) in management fees to Mill Street, a company controlled by the Chief Executive Officer of the Company;

iii) $7,500 (2011: $Nil) in management fees to the President of the Company; and

iv) $Nil (2011: $17,500) in management fees to a director and former president of the Company.

Prepaid expenses and deposits as of April 30, 2012 include an amount of $1,202 (2011: $Nil) paid to Radius.

The amount due from a related party as of April 30, 2012 consists of $1,579 (2011: $Nil) due from Voyager. The balance is unsecured, due on demand and does not bear interest.

Amounts due to related parties as of April 30, 2012 consist of $37,842 (2011: $8,225) due to Radius, $17,500 (2011: $17,500) due to a director and former president of the Company, and $33,600 (2011: $Nil) due to Mill Street. The balances are unsecured, due on demand and do not bear interest.

These transactions are in the normal course of operations and are measured at the fair value of the services rendered.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. For the years ended April 30, 2012 and 2011, key management compensation comprises:

		2012		2011
Management fees	$	30,000	$	17,500
Salaries and benefits		24,431		10,219
Share-based payments		-		52,476
	$	**54,431**	**$**	**80,195**

Total share-based payments to directors not specified as key management personnel during the year ended April 30, 2012 was $Nil (2011: $61,222).

Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the years ended April 30, 2012 and 2011.

Other Data

Additional information related to the Company is available for viewing at www.sedar.com.

Share Position and Outstanding Warrants and Options

The Company's outstanding share position as at August 16, 2012 is 17,709,425 common shares and the following share purchase warrants and incentive stock options are currently outstanding:

WARRANTS

No. of Warrants	Exercise Price	Expiry Date
141,185	$0.30	October 12, 2012
1,331,250	$1.00	March 15, 2014
2,446,231	$1.00	April 10, 2014
*5,000,000	$0.40	**September 30, 2015
8,918,666		

* These warrants become exercisable when certain conditions of the Cordoba Property Option agreement are met (Note 6). As of April 30, 2012, these warrants were not exercisable.

** The expiry date for the 5,000,000 warrants issued pursuant to the Cordoba Property Option agreement is the later of September 15, 2015 and the date that is thirty months following the date of the issuance of the Drilling Permits. As of August 16, 2012, the Drilling Permits had not yet been issued.

STOCK OPTIONS

No. of Options	Exercise Price	Expiry Date
505,000	$0.37	February 28, 2021
25,000	$0.60	July 3, 2021
765,000	$0.50	July 31, 2022
1,295,000		

Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The recoverability of other receivables and prepaid expenses and deposits;

ii) The carrying value of the investment in exploration and evaluation costs and the recoverability of the carrying value;

iii) The inputs and probabilities used in accounting for the fair value of share-based payment transactions;

iv) The provision for income taxes and recognition of deferred income tax assets and liabilities;

v) The completeness of accounts payable and accrued liabilities;

vi) The inputs in determining the bifurcation of unit offerings into the different equity components; and

vii) The inputs in determining the bifurcation of convertible debenture instruments into its liability and equity components.

Conversion to International Financial Reporting Standards ("IFRS")

Effective January 1, 2011, Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is May 1, 2010. The three months ended July 31, 2011 was the Company's first reporting period under IFRS and the year ended April 30, 2012 the Company's first audited annual reporting period.

The Company's IFRS conversion team identified three phases to the conversion: Scoping and Diagnostics, Analysis and Development, and Implementation and Review. The Company has now completed its IFRS conversion plan through to implementation. Review and post implementation will continue in future periods.

The Company's financial statements were prepared in accordance with Canadian GAAP until April 30, 2011. While IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosures. For a description of the significant accounting policies the Company has adopted under IFRS, including the estimates and judgments we consider most significant in applying those accounting policies, please refer to note 3 of the financial statements for the year ended April 30, 2012.

The adoption of IFRS resulted in some changes to the balance sheets and income statements of the Company previously reported under Canadian GAAP. To help users of the financial statements better understand the impact of the adoption of IFRS on the Company, The Company has provided reconciliations from Canadian GAAP to IFRS for total assets, liabilities, and equity, as well as net income and comprehensive income for the comparative reporting periods. Please refer to note 17 of the financial statements for the year ended April 30, 2012 for the reconciliations between IFRS and Canadian GAAP.

IFRS 1 First-time Adoption of International Financial Reporting Standards

Adoption of IFRS requires the application of IFRS 1, *First-time Adoption of International Financial Reporting Standards*, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 gives entities adopting IFRS for the first time a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. Please refer to note 17 of the financial statements for the year ended April 30, 2012 for a detailed description of the IFRS 1 exemptions the Company elected to apply.

Controls and Procedures

The Company's plan to convert its financial statements to IFRS at the change over date of May 1, 2011, with comparative financial results included a structure that involved the Audit Committee and senior management to monitor progress and review and approve recommendations. The IFRS transition plan was comprehensive and addressed topics such as the impact of IFRS on accounting policies and implementation decisions, infrastructure, business activities, compensation matters and control activities. The Company identified and implemented the required accounting process changes that resulted from the application of IFRS accounting policies and these changes were not significant. The Company has completed the design, implementation and documentation of the internal controls over accounting process changes resulting from the application of IFRS accounting policies. The Company applied its existing control framework to the IFRS changeover process.

Business Activities and Key Performance Measures

The Company is not subject to any financial covenants or key ratios, therefore the transition had no impact in this regard. The impact of the IFRS conversion project on the Company's compensation arrangements has been assessed and there was no impact to existing compensation arrangements.

Information Technology and Systems

The IFRS transition project did not have a significant impact on the Company's information systems for the convergence periods. The Company also does not expect significant changes in the post-convergence periods.

Review

The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods. The Company notes that the standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that the Company has selected. The Company has processes in place to ensure that potential changes are monitored and evaluated. The impact of any new IFRS and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations will be evaluated as they are drafted and published.

Accounting Standards, Amendments and Interpretations Not Yet Effective

The following new standards and interpretations have been issued by the International Accounting Standards Board ("IASB"), but are not yet effective:

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 May 1, 2015. The Company is in the process of evaluating the impact of the new standard.

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.* The Company is yet to assess the full impact of IFRS 10 and intends to adopt the standard beginning on May 1, 2013.

IFRS 11 Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers*. The Company is yet to assess the full impact of IFRS 11 and intends to adopt the standard beginning on May 1, 2013.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off-balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The Company is yet to assess the full impact of IFRS 12 and intends to adopt the standard beginning on May 1, 2013.

IFRS 13 Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. The Company is yet to assess the full impact of IFRS 13 and intends to adopt the standard beginning on May 1, 2013.

Risks and Uncertainties

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, the Company does not have a property with a known commercial ore deposit. The Company's mineral property interest is located in an emerging nation and consequently may be subject to a higher level of risk compared to developed countries. There are significant risks that might affect the Company's further development including exploration and development risk, governmental regulations and permits, title challenges, competition, environmental laws and regulations, uninsurable risks, fluctuations in metal prices, share price volatility, and uncertainty of additional financing.