Majestic Gold Corp.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Expressed in US dollars)

For the year ended September 30, 2013

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of the financial condition and results of operations of Majestic Gold Corp. ("Majestic" or "the Company") should be read in conjunction with the accompanying audited consolidated annual financial statements and related notes thereto for the years ended September 30, 2013 and 2012, (the "Financial Report").

The financial information in this MD&A is derived from the Company's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in US dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

This MD&A contains information to January 27, 2014.

This discussion focuses on key statistics from the consolidated annual financial statements for the years ended September 30, 2013 and 2012 and up to the date of this MD&A. and pertains to known risks and uncertainties relating to the gold exploration and development and mining industry. This discussion should not be considered all-inclusive, as it excludes changes that may occur in general economic, political and environmental conditions.

OVERVIEW

- Gold production from the Songjiagou Gold Mine was 19,611 ounces for the year ended September 30, 2013, compared to 18,925 ounces produced for the comparative year;
- Tonnes of ore milled was 1,872,396 tonnes for the year ended September 30, 2013, compared to 1,950,987 tonnes milled for the comparative year;
- Gold sales revenue for the year ended September 30, 2013, was $25,387,862 from the sale of 16,894 ounces at an average realized gold price of $1,503 per ounce compared to revenue of $31,116,445 from the sale of 18,607 ounces at an average realized gold price of $1,672 per ounce for the year ended September 30, 2012;
- Gross profit was $6,372,024 for the year ended September 30, 2013, compared to $11,828,271 for the year ended September 30, 2012;
- Cash costs were $1,101 per ounce for the year ended September 30, 2013, compared to $996 per ounce for the year ended September 30, 2012;
- The onsite assay lab was completed in July 2013;
- The Company completed the exchange provided for in the Agreement with Yantai Dahedong Processing Co. Ltd. ("Dahedong"). As a result, Dahedong now holds a 25% equity stake in the Company's Chinese subsidiary, Yantai Zhongjia Mining Co. Ltd., in place of the 25% Net Profits granted to it in 2010;
- SRK Consulting China Ltd. completed, for the Company, a NI 43-101 Technical Report in support of the Preliminary Economic Assessment for the Songjiagou Gold Project located in Shandong Province.
- The seven nominee directors named in the Concerned Shareholder Information Circular dated November 8, 2013 were elected as directors of the Company by over 99% of the votes cast at the Annual General Meeting of Shareholders on November 21, 2013. As a result, the board of directors of Majestic is now comprised of Gengshu Miao, Shaohui Chen, Paul Reynolds, Grant Chen, John Campbell, Stephen Kenwood and Lorne Hunter. Mr. Miao has been re-appointed Chair of the Board, Mr. Reynolds has been appointed President and Chief Executive Officer, and James Mackie was re-appointed as Chief Financial Officer and has also been appointed as Corporate Secretary.

OUTLOOK

In 2014, the Company will be reviewing its operations at the Songjiagou Mine in an effort to more fully realize the potential of the Project. The Company expects the review process will be completed during the third quarter of 2014, with the implementation of any necessary changes to begin during the fourth quarter of 2014

In December 2013, management began a comprehensive review of its general and administrative expenses to identify and implement opportunities of cost savings for the Company. To date, management has implemented cost saving actions and will begin to realize the savings starting in January 2014. Management will continue to work to identify and evaluate further cost saving opportunities.

DESCRIPTION OF THE BUSINESS

Majestic is a Vancouver, Canada based gold producer with mining operations in China. The Company's main business involves the acquisition, exploration and development of mineral properties. At September 30, 2013, and at the date of this MD&A, all of the Company's mineral property interests and mining operations are located in China. The Company is a TSX Venture Exchange listed mining company under the symbol "MJS".

The Company's principal mining operation is the Songjiagou Gold Mine ("Songjiagou" or the "Project"), of the Muping mineral property, located in Shandong province, China. Majestic holds its interest in Muping through its 94% owned subsidiary Majestic Yantai Gold Ltd. ("Majestic Yantai"). The Company commenced commercial gold production at the Songjiagou Gold Mine in May 2011.

SONG JIAGOU GOLD MINE

The Songjiagou Gold Mine is the Company's flagship project. The Company began commercial production in May 2011. The Company's joint venture partner Yantai Dahedong Processing Company Ltd., ("Dahedong") has held the contract to mine and process ore since startup. The Company has been unable to realize the full potential of the Songjiagou Mine due, in a large part, to the lack of consistent grade control of the material entering the mill being mined in the pit. The Company is currently focused on reviewing operations at the Songjiagou Mine. Once this review is complete, the Company expects to implement the necessary operational changes necessary to more fully realize the potential of Songjiagou. It is expected that the mine will be unable to produce more than 20,000 ounces gold per year until some of these changes are implemented.

The Company completed the construction of the new on-site assay lab in July 2013. The improvements in the on-site assay lab will allow for better analytical determinations and the expansion of the lab facilities will allow for more samples to be processed on a daily basis, resulting in better information for the mining operations.

On July 29, 2013, the Company completed the exchange provided for in the Exchange Agreement ("Agreement") with Yantai Dahedong Processing Co. Ltd ("Dahedong"). As a result, Dahedong now holds a 25% equity stake in the Company's Chinese subsidiary, Yantai Zhongjia Mining Co. Ltd., in place of the 25% Net Profits Interest granted to it in 2010. JVCo owns the Muping Property in the Chinese province of Shandong, China. Majestic indirectly owns a 71% interest in JVCo through its 94% interest in Majestic Yantai, which now owns a 75% interest in JVCo. Dahedong's acquisition of the other 25% of JVCo effectively means that it has a 25% working interest in JVCo in place of an entitlement to 25% of Net Profits. As a result, Dahedong is now obligated to contribute 25% of capital and other expenses for expansion and improvement of the mining facilities, as well as other capital expenses associated with mining operations. JVCo will continue to have the use of Dahedong's mining assets at no cost to JVCo, including various land use contracts with the Chinese government for the operation of processing mills and disposal of tailings, water rights, two mills with processing capacities of 200 and 1,200 tonnes per day respectively, and related buildings and other mining facilities, machinery and equipment.

RESOURCE

On August 21, 2013, the Company announced that SRK Consulting China Ltd., ("SRK") has completed a NI 43-101 Technical Report in support of the Preliminary Economic Assessment ("PEA") for the Songjiagou Gold Project located in Shandong Province, People's Republic of China. The NI 43-101 Technical Report is available on SEDAR at www.sedar.com.

The PEA was prepared as an open pit mining project and SRK was asked to look at five development scenarios:

1. utilizing only indicated resources and the existing mill capacity (7,400 tpd);
2. utilizing all of the indicated and inferred mineral resources but not relocating the two nearby villages (mill expansion to 10,000 tpd);

2A. utilizing all of the indicated and inferred mineral resources but not relocating the two nearby villages and utilizing the existing mill capacity (7,400 tpd);

3. utilizing all of the indicated and inferred mineral resources and relocating the two nearby villages (mill expansion to 12,000 tpd); and

3A. utilizing all of the indicated and inferred mineral resources, relocating the two nearby villages and using the existing mill capacity (7,400 tpd).

The five year trailing average gold price of US$1,355 per ounce was used for the PEA.

The pre-tax net present value ("NPV") established by the PEA is summarized in following table:

Scenario	Mill Throughput	NPV (10%) (US$ x 1,000,000)
1	7,400 tpd	477
2	10,000 tpd	777
2A	7,400 tpd	702
3	12,000 tpd	1,056
3A	7,400 tpd	782

A summary of the main sections of the PEA are as follows:

Mineral Resource Estimation

As of 31 January 2013, at an Au cut-off grade of 0.3 g/t, within the mining license and exploration permit area, the Songjiagou Gold Project contains the following mineral resources:

Category	Tonnes (kt)	Grade (g/t)	Contained Au (oz)
Indicated	28,615	1.38	1,269,000
Inferred	35,309	1.43	1,623,000

Included within the total resource and entirely within the boundaries of the current mining license, the Songjiagou Gold Project contains:

Category	Tonnes (kt)	Grade (g/t)	Contained Au (oz)
Indicated	25,935	1.42	1,184,000
Inferred	28,690	1.35	1,245,000

Mineral resources do not demonstrate economic viability, and there is no certainty that these mineral resources will be converted into mineable reserves once economic considerations are applied.

Mining Methods

The Songjiagou Gold Project is currently in production, with a mining capacity of 5,000 to 10,000 tpd.

Mining activities have been outsourced to Dahedong, and mining equipment is also being supplied by the contractor. The PEA is based on conventional open pit mining using excavators to load 40 tonne trucks which haul ore to the processing plant - a distance of about 4 km. Ore break is by self-propelled air track drills. Benches are 10 m high. The overall slope of the pit is 48°. The mine is scheduled to operate 330 days per year, 3 shifts per day and 8 hours per shift.

Recovery Methods

The Songjiagou Mine has three processing plants. Two of them were put into operation in 2006 with capacities of 200 tpd and 1,200 tpd and the third was put into operation in May 2011 with a capacity of 6,000 tpd. The total processing capacity is 7,400 tpd. Ore extracted from the underground mine is processed in the 200 tpd plant while the ore mined in the open pit is processed in the other two plants.

Similar flowsheets are adopted in the two plants which process the ore mined from the open pit (the 1,200 tpd plant and the 6,000 tpd plant). The flow sheet comprises conventional three-stage crushing and grinding in a closed circuit. The slurry is subjected to a flotation circuit comprising of one stage of roughing, one stage of cleaning, and two stages of scavenging. The gold concentrate is dehydrated and then sent for metallurgical processing at a nearby smelter.

Operating Cost

The following parameters were used to estimate the operating cost in the PEA:

- Mining cost: US$ 1.79/t (RMB 11.3/t). Mining costs are assumed to increase by US$ 0.05/t (RMB 0.3/t) annually;
- Stripping cost: US$ 1.36 (RMB 8.55/t). Stripping costs are assumed to increase by US$ 0.05/t (RMB 0.3/t) annually);
- Processing cost: US$ 7.55/t (RMB 47.46/t);
- Administration cost: US$ 0.72/t (RMB 4.50/t);
- Resource tax: US$ 0.72/t (RMB 4.50/t);
- Mineral resource compensation fee: US$ 31,830/year (RMB 200,000/year);
- Smelting cost: US$ 15.91/t (RMB 100/t) of dry gold concentrate; and
- Exchange rate: US$1 = RMB 6.2834 (CDN$ 1 = RMB 6.2789).

Preliminary Economic Analysis

SRK was requested to conduct a PEA of developing the Project. In the assessment, MineSight Economic Planner (Design) was used for pit optimization, using Lerchs-Grossmann ("LG") calculations to maximize the NPV. Five scenarios for the ultimate pit were produced, as described below. The trailing five year average gold price, (i.e. RMB 273.89/g, or US$1,355/oz), and a conversion rate of 6.2834 RMB/1$US was used.

Descriptions of the five scenarios are described in the table below:

Scenario	Operation Capacity	Description
1	7,400 tpd	Mining inventory includes only indicated resources. Inferred resources are treated as waste. No village relocation is needed.
2	10,000 tpd	Mining inventory includes both indicated and inferred resources. No village relocation is needed.
2A	7,400 tpd	
3	12,000 tpd	Mining inventory includes both indicated and inferred resources. Village relocation is needed.
3A	7,400 tpd	

The pre-tax NPV established by the PEA is summarized in following table:

Scenario	**Mill Throughput**	**NPV (10%) (US$ x 1,000,000)**
1	7,400 tpd	477
2	10,000 tpd	777
2A	7,400 tpd	702
3	12,000 tpd	1,056
3A	7,400 tpd	782

Based on the estimates in the PEA, Majestic plans to move ahead with the continued development of the Project, including more detailed engineering studies as well as applications for expanded mining licenses.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA is preliminary in nature and is based, in part, on inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary assessment will be realized. All figures are rounded to reflect the relative accuracy of the estimate.

The Company cautions that the cash flow models and resulting NPV's were done on a pre-tax basis. After tax, NPV's would be adjusted downward after considering depreciation and other allowable expenses and deduction of Chinese corporate taxes (currently estimated at 25%).

The PEA was prepared by SRK Consulting China Ltd., under the direction of Anson Xu, PhD, FAusIMM. Dr. Xu is independent of Majestic and is a Qualified Person ("QP") as defined by section 1.4 of National Instrument 43-101.

Paul Reynolds, P.Geo., President and CEO of Majestic, has read and approved the technical information in this MD&A. Mr. Reynolds is a Qualified Person as defined by NI 43-101.

SELECTED ANNUAL INFORMATION

The following table presents audited selected financial information for the last three audited fiscal years:

	Year ended September 30, 2013 $	**Year ended September 30, 2012** $	**Year ended September 30, 2011** $
Revenue	26,410,668	31,670,269	10,651,076
Net loss	(5,863,555)	(2,070,781)	(11,039,016)
Net loss per share	(0.01)	(0.00)	(0.02)
Total assets	105,240,500	110,506,924	90,571,761
Long-term liabilities(*)	25,082,866	2,538,356	2,104,461
Dividends	-	-	-

(**) Long-term liabilities does not include deferred income.

SELECTED FINANCIAL INFORMATION

	Year ended September 30, 2013	Year ended September 30, 2012
Operating data		
Gold produced (ozs)	19,611	18,925
Gold realized net of smelting fees (ozs)	18,390	17,630
Gold sold (ozs)	16,894	18,607
Average realized gold price ($/oz sold)	$ 1,503	$ 1,672
Total cash costs ($/oz sold) (1)	1,101	996
Financial data		
Total revenues	$ 26,410,668	$ 31,670,269
Gross profit (2)	6,372,024	11,828,271
Net loss attributable to shareholders	(5,447,808)	(2,307,179)
Basic and diluted loss per share	(0.01)	(0.00)
Cash and cash equivalents	16,365,423	24,974,244
Total assets	105,240,500	110,506,924
Total debt	22,547,074	21,249,538

(1) "Total cash costs" are presented on a per ounce sold basis. See "Additional Financial Measures".
(2) "Gross profit" represents total revenues, net of cost of goods sold.

RESULTS OF OPERATIONS

Gold Production

	Year ended September 30, 2013	Year ended September 30, 2012
Production data		
Tonnes mined	1,873,913	2,202,831
Tonnes milled	1,872,396	1,950,987
Head grade (g/t)	0.37	0.30
Mill recovery	86.8%	83.3%
Gold produced (ozs)	19,611	18,925
Gold realized, net of smelting fees (ozs)	18,390	17,630

Total gold produced for the year ended September 30, 2013 was 19,611 ounces, up 3.6% over the 18,925 ounces produced in the prior year. Total gold realized was 18,390 ounces for the year ended September 30, 2013, an increase of 4.3% compared to 17,630 ounces realized for the prior.

Revenues

	Year ended September 30, 2013	Year ended September 30, 2012
Gold		
Ounces sold	16,894	18,607
Average realized price ($/oz)	$ 1,503	$ 1,672
Revenues		
Gold	$ 25,387,862	$ 31,116,445
Lease	1,022,806	553,824
	$ 26,410,668	$ 31,670,269

Gold sales revenue for the year ended September 30, 2013 was $25,387,862 on gold sales of 16,894 ounces at an average realized gold price of $1,503 compared to $31,116,445 on gold sales of 18,607 at an average realized gold price of $1,672 for the prior year. The decrease in gold sales revenue is due primarily to 1,713 fewer ounces being sold as well as to a decrease in the average realized gold price for the ounces sold for the year ended September 30, 2013 compared to the prior year. At the end of March 2013, there was a collapse in the gold price and it is expected this decline in gold price will continue to have an impact on the Company's revenues.

Revenues also included mining lease revenue of $1,022,806 for the year ended September 30, 2013 (2012- $553,824).

Cost of Goods Sold

		Year ended September 30, 2013		Year ended September 30, 2012
Ounces sold		16,894		18,607
Per ounce of gold sold (1)				
Cash costs	$	1,101	$	996
Production costs		1,186		1,066
Cost of Goods Sold				
Total cash costs	$	18,603,327	$	18,528,998
Total production costs		20,038,644		19,841,998

(1) See "Additional Financial Measures".

The cash costs per ounce were $1,101 for the year ended September 30, 2013, compared to $996 per ounce for the prior year.

The production costs per ounce were $1,186 for the year ended September 30, 2013, compared to $1,066 per ounce for the comparative year.

Other Items

The more significant other items for the year ended September 30, 2013 and 2012 are discussed below.

The details of the changes in general and administrative expenses for the years ended September 30, 2013 and 2012 are as follows:

	Year ended September 30, 2013 -$-	Year ended September 30, 2012 -$-
Consulting and management fees	2,370,458	3,490,356
Depreciation	185,121	81,168
Financial Advisory Services	888,010	1,010,020
Office and general	1,386,847	1,477,962
Professional fees	539,624	334,404
Salaries	821,637	800,455
Shareholder communications, transfer agent and filing fees	421,446	77,191
Travel	1,573,167	1,226,404
Total	8,186,310	8,497,960

Consulting and management fees were $2,370,458 for the year ended September 30, 2013, compared to $3,490,356 for the prior year. The decrease is due primarily to fees incurred in the prior year related to a consulting agreement which terminated in August 2012.

Financial advisory fees were $891,058 for the year ended September 30, 2013, compared to $1,010,020 for prior year. These fees relate primarily to a consulting agreement with Deloitte for financial advisory services which terminated in July 2013.

Office and general costs were $1,386,847 for the year ended September 30, 2013, compared to $1,477,962 for the prior year. The decrease of $91,115 for the September 30, 2013 was due to the continued efforts by the Company in reducing office and administrative costs.

Professional fees were $539,624 for the year ended September 30, 2013, compared to $334,404 for the prior year. The fees relate primarily to the Company's efforts in seeking potential merger and acquisition opportunities.

Travel costs were $1,573,167 for the year ended September 30, 2013, compared to $1,226,404 for the prior year. Travel costs are primarily related to the Company's efforts in seeking potential merger and acquisition opportunities and for attending investor conferences and meetings in Asia and Europe.

General administrative expenses recorded in the statement of operations reflect the normal corporate business cycle. The Company strives to provide efficient and cost-effective administrative support to management's ongoing efforts to seek new properties, monitor production costs, and increase shareholder value.

The details of the changes in the consolidated finance expense for the years ended September 30, 2013 and 2012 are as follows:

	Year ended September 30, 2013 -$-	Year ended September 30, 2012 -$-
Interest on loans	1,319,656	387,073
Interest record on liability component of convertible loan	-	7,488
Finance fee on construction of New Mill	62,864	2,456,586
Interest on amount due to Dahedong	575,438	-
Accretion of asset retirement obligation	92,591	82,875
Total	2,050,549	2,934,022

Net loss for the year ended September 30, 2013, was $5,863,555 ($0.01 per share) compared to a loss of $2,070,781 ($0.00 per share) for the prior year.

SUMMARY OF QUARTERLY RESULTS

The financial results for each of the eight most recently completed quarters are summarized below:

	September 30, 2013 -$-	June 30, 2013 -$-	March 31, 2013 -$-	December 31, 2012 -$-
Net revenues	$9,834,158	$3,551,168	$8,681,386	$4,343,956
Net loss	($3,188,303)	($1,663,384)	($959,866)	($52,002)
Per share	($0.01)	($0.00)	($0.00)	($0.00)
	September 30, 2012 -$-	June 30, 2012 -$-	March 31, 2012 -$-	December 31, 2011 -$-
Net revenues	$13,895,744	$5,198,838	$5,900,629	$6,675,058
Net loss	$111,721	($2,448,560)	$425,241	($159,183)
Per share	($0.00)	($0.00)	($0.00)	($0.00)

Significant variations in the net revenues periods is primarily due to variances is gold sales and metal prices.

Significant variations in the net loss from one period to another are mainly due to variations in gold sales, metal prices, increase in the start-up costs of mining operations, the issuance of incentive stock options, which results in an increase in stock-based compensation.

LIQUIDITY

The Company's liquidity requirements arise principally from the need for working capital to finance expansion of its mining and processing operations. The Company's principal sources of funds have been proceeds from the borrowing from various financial institutions in China, equity financings, and cash generated from operations. The Company's liquidity depends primarily on its ability to generate cash flow from its operations and to obtain external financing to meet its debt obligations as they become due, as well as the Company's future operating and capital expenditure requirements.

At September 30, 2013, the Company had cash and cash equivalents of $16,365,423 (September 30, 2012 - $24,974,244) and had a working capital of ($1,247,496) (September 30, 2012 - $6,832,954).

Majestic began the year ended September 30, 2013, with $24,974,244 in cash and cash equivalents. During the year ended ended September 30, 2013, the Company had a net cash outflow from operating activities of $8,096,772, net of working capital changes, spent $850,209 on investing activities which was attributable to the purchase of property, plant and equipment, received $525,826 from financing activities which was primarily attributable to loans borrowings, net of borrowing repayments, and had foreign exchange loss of $187,666, to end at September 30, 2013, with $16,365,423 in cash and cash equivalents.

Management considers its operating cash flows to be sufficient to cover the next twelve months to meet its planned exploration, development, operational activities, and its current outstanding debts. The Company has completed its mining and production facilities and is now dependent on achieving consistent profitable income from operations. Revenue and expenses should increase as production increases with the mill reaching full capacity. Should this not be achieved, the Company will continue to be dependent on raising additional funds to meet operational requirements and ultimately upon achieving profitable operations.

CAPITAL RESOURCES

At the date of this MD&A, the Company has 33,825,000 stock options at exercise prices ranging from CAD$0.12 to CAD$0.20. In addition the Company has 222,500,000 share purchase warrants at an exercise price of CAD$0.20. All stock options, and share purchase warrants and finders warrants will, if exercised, provide additional cash. At the date of this MD&A, the stock options and share purchase warrants outstanding are "out of the money".

As at the date of this MD&A, other than as described herein and in the Financial Report, the Company has no other arrangements for sources of financing.

In management's view, given the nature of the Company's operations, which consists of exploration, mining and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced.

OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A

Authorized: an unlimited number of common shares without par value.	Common shares issued and outstanding	Common share purchase warrants	Stock options
Outstanding at September 30, 2013	839,765,216	222,500,000	41,325,000
Cancelled	-	-	(7,500,000)
Outstanding at the date of this MD&A	839,765,216	222,500,000	33,825,000

TRANSACTIONS WITH RELATED PARTIES

Related party transactions

The Company incurred the following related party transactions during the year ended September 30, 2013 and 2012:

	Year ended September 30, 2013 -$-	Year ended September 30, 2012 -$-
Consulting fees charged by companies controlled by directors and officers of the Company	1,187,365	2,234,845
Rent and administrative fees charged by companies controlled by directors or officers of the Company	36,631	26,653
Legal fees charged by a law firm jointly controlled by a former Director	71,141	171,680
Legal fees included in share issue costs charged by a law firm jointly controlled by a former director	-	30,309
Mining and milling services charged by Dahedong	17,151,624	15,701,388
Finance fee charged by Dahedong	62,864	2,456,586
Interest charged by Dahedong	575,438	-
	19,085,063	20,621,461

Compensation of key management personnel

The remuneration of directors and other members of key management personnel, which are include the amounts disclosed above, were as follows:

	Year ended September 30, 2013 - $ -	Year ended September 30, 2012 - $ -
Short-term employee benefits–management fees	379,033	260,087

Key management included the Company's directors, executive officers and senior management. These transactions occurred in the normal course of operations and are measured at their exchange amounts, which is the amount of consideration established and agreed to by the parties.

New standards adopted during the year

The Company elected to early adopted the following new accounting standards:

IFRS 10 "Consolidated Financial Statements"
This new standard replaces IAS 27 "Consolidated and Separate Financial Statements", and SIC-12 "Consolidation – Special Purpose Entities". IFRS 10 uses control as the single basis for consolidation, irrespective of the nature of the investee, eliminating the risks and rewards approach included in SIC-12, and requires continuous assessment of control over an investee.

IFRS 11 "Joint Arrangements"
This new standard 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 venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under previous 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.

IFRS 12 "Disclosure of Interests in Other Entities"
This new standard establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carried forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with,

The adoption of IFRSs 10 and 11 did not have any impact on the consolidated financial statements of the Company.

NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE

A number of new standards, amendments to standards and interpretations are not yet effective as of September 30, 2013, and have not been applied in preparing these condensed consolidated financial statements. None of these are expected to have a material effect on the financial statements of the Company.

New standard IFRS 9 "Financial Instruments"
This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The effect date of this new standard has not been specified.

New standard IFRS 13 "Fair value measurement"

This new standard replaces the fair value measurement guidance currently included in various other IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements. IFRS 13 is effect for annual periods beginning on or after January 1, 2013.

New interpretation IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"

This new IFRIC clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. IFRIC 20 is effective for annual periods beginning on or after January 1, 2013.

Amendments to IAS 32 "Financial Instruments: Presentation"

These amendments address inconsistencies when applying the offsetting requirements, and are effective for annual periods beginning on or after January 1, 2014.

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

COMMITMENT AND CONTINGENCIES

Commitments and contingencies include principal and interest payments of Company's bank loans, expenditure commitments on its mineral properties and future aggregate minimum operating lease payments required under the operating leases as described in the notes to the Financial Report.

OFF-BALANCE SHEET ARRANGEMENTS

At September 30, 2013, the Company had no off-balance sheet arrangement such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets to the extent they are expected to be realized within 12 months after the end of the reporting period. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the group commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Risk Management

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada and China. The credit risk associated with cash held in Canada is reduced by management ensuring that the Company uses a major Canadian financial institution with strong investment grade ratings by a primary ratings agency. The credit risk associated with cash held in China is reduced, but not fully mitigated, by management using a financial institution that is operated by the Government of China.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in interest bearing accounts which are available on demand. Management believes the Company has sufficient cash on hand to finance operations for the next twelve months.

Industry Risk

The Company is a mining and exploration company with properties and mining operations focused in China. Its mining activities involve numerous inherent risks. The Company is subject to various financial, equities markets, operational and political risks that could significantly affect its operations and cash flows. These risks include changes in local laws affecting the mining industry, a decline in the price of commodities, uncertainties inherent in estimating mineral resources and fluctuations in the foreign currencies CNY against the US dollar. The Company does not use derivatives or hedging to mitigate the risk of changes in the price of gold or currency fluctuations.

The Company's business is highly dependent on the price of gold and venture capital markets, which are impacted by volatility factors the Company cannot control. A decrease in the price of gold could adversely affect the Company's financial condition, results of operations and cash flows. Lower gold prices may result in asset impairment, write-downs of mineral property carrying values and limitations in access to capital.

The Company operates in China and is exposed to the laws governing the mining industry in China. The Chinese government is currently supportive of the mining industry but there is uncertainty in future changes to government policies and regulations including taxation, repatriation of profits, restrictions on production, export controls, environmental compliance and expropriation. These factors could adversely affect the Company's exploration efforts and production plans.

The Company's property is located in an area that can experience severe winter weather conditions which could adversely affect mining and exploration programs. In addition, the Company is subject to changes in environmental laws and regulations that may result in unexpected costs.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, currency risk and other commodity price risk. These are discussed further below:

Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. The Company's loans payable accrues interest at fixed rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on the estimated fair value as of September 30, 2013.

Currency Risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the functional currency of the entity completing the transaction or holding the funds. The Company does not manage currency risks through hedging or other currency based derivatives. The Company and its subsidiaries do not have significant transactions or hold significant cash denominated in currencies other than their functional currencies. Therefore, this risk is considered minimal.

Other Price Risk
Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk, price risk or foreign exchange risk.

The Company is exposed to changes in market prices as this can impact the value of its investments.

The Company is exposed to changes in the price of gold which affects its earnings and cash flows. Changes in the price of gold will impact the profits and resulting cash flows of the company and could potentially impact the classification and amounts of certain liabilities, most notably the asset retirement obligation.

As at September 30, 2013, the Company has no contracts or agreements in place to mitigate these price risks.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploring mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest, which they may have, in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of independent directors.

This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

RISKS AND UNCERTAINTIES

The financing, exploration, development and mining of any of the Company's properties is subject to a number of factors, including the price of gold, laws and regulations, political conditions, currency fluctuations, hiring qualified people and obtaining necessary services in jurisdictions where the Company operates.

The following is a discussion of those distinctive or special characteristics of the Company's operations and industry that may have a material impact on, or constitute risk factors in respect of the Company's operations and future financial performance.
Additional risks not currently known by the Company, or that the Company currently deems immaterial, may also impair the Company's operations.

Exploration and mining risks
Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure or easy access.

The economics of developing gold and other mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Depending on the price of gold or other minerals produced, which have fluctuated widely in the past, the Company may determine it is impractical to commence or continue commercial production.

Reserves and resource estimates
The mineral and resources estimates disclosed in the Company's public filings are only estimates and no assurances can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable deposit which can be legally and economically exploited. The Company relies on laboratory-based recovery models to project estimated ultimate recoveries by ore type at optimal crush sizes. Actual gold recoveries may exceed or fall short of projected laboratory test results. As stated previously, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. Production can be affected by such

factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions among other things. Short-term factors, such as the need for an orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of those operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under onsite conditions or in production scale operations. Material changes in proven and probable reserves or resource grades, waste-to-ore ratios or recovery rates may affect the economic viability of projects. The estimated proven and probable reserves and resources disclosed in the Company's public filings should not be interpreted as assurances of mine life or of the profitability of future operations.

The Company has engaged expert independent technical consultants to advise it on, among other things, mineral reserves and resources and project engineering. The Company believes these experts are competent and that they have carried out their work in accordance with internationally recognized standards. If, however, the work conducted by these experts is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays and increased costs.

The Company's production decision was not based on a feasibility study of mineral reserves demonstrating economic and technical viability. The Company's production decision was made based on the open pit optimization resource model set out in a PEA, which takes into account the relatively low mining costs negotiated by the Company. The pit optimization that was conducted in the preliminary assessment generated a production schedule summary at grade cut-off of 0.30 gram per tonne Au.

The Songjiagou Gold Project resource estimate was carried out using industry-standard procedures and a geological interpretation of the deposit that, to the extent possible, reflected observations of grade distributions. Modeling of the deposit is uncertain, however, because it is difficult to establish with a high level of confidence the area of influence of higher-grade gold values. The risk remains, therefore, that the geological model may overstate the distribution of high-grade gold values. If future mining demonstrates that this is in fact the case, then the model may overstate anticipated gold grades. Because the probability of this outcome is unknown, the level of uncertainty must also be unknown.

Foreign countries, laws and regulations
The Company operates primarily in China and is exposed to the laws governing the mining industry in China. The Chinese government is currently supportive of the mining industry but there is uncertainty in future changes to government policies and regulations including taxation, repatriation of profits, restrictions on production, export controls, environmental compliance and expropriation. These factors could adversely affect the Company's exploration efforts and production plans.

Commodity prices
The profitability of the Company's operations, if established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of gold by central banks, forward sales by producers, production, industrial and jewelry demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political development. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production of the Company's properties to become impracticable.

The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of gold. The prices of these commodities are affected by numerous factors beyond the Company's control.

A reduction in the price of gold may prevent the Company's properties from being economically mined or result in the write-off of assets whose value is impaired as a result of low gold prices. The price of gold may also have a significant influence on the market price of the Company's common shares.

Environmental compliance and other regulatory requirements

Any significant mining operation will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. The current exploration and mining activities of the Company require permits from various governmental authorities and such operations are, and will be, governed by laws and regulations governing exploration, mining, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety, mine permitting and other matters. Companies engaged in exploration and mining activities generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits the Company may require for exploration, development and mining will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project the Company may undertake.

The Company's operations are subject to local laws and regulations regarding environmental matters, which generally provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving towards stricter standards, and enforcement, fines and penalties for non-compliance are becoming more stringent. An environmental assessment of a proposed project carries a heightened degree of responsibility for companies and their directors, officers and employees.

Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing laws or regulations could harm the Company. The Company cannot predict how agencies or courts in foreign countries will interpret existing laws and regulations or the effect these adoptions and interpretations may have on the Company's business or financial condition.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there-under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration and mining operations may be required to compensate those suffering loss or damage by reason of the exploration and mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

No assurances can be given that such environmental and compliance issues will not have a material adverse effect on the Company's operations in the future. While the Company believes it does not currently have any material environmental obligations, the cost of complying with existing regulations or changes in governmental regulations have the potential to reduce the profitability of operations, may give rise in the future to significant liabilities on the Company's part to the government and third parties, and may require the Company to incur substantial costs of remediation.

Insurance and uninsured risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts it considers reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Dependence on key personnel
The success of the Company will be largely dependent upon the performance of its key officers, employees and consultants. Local mineral deposits and mining operations depend on a number of factors, not the least of which is the technical skill of the exploration and mining personnel involved. The success of the Company is largely dependent on the performance of its key personnel. Failure to retain key personnel or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any "key man" insurance with respect to any of its directors, officers or key employees and has no current plans to do so.

Property interests
The ability of the Company to carry out successful mineral exploration, development activities and mining operations is dependent, in part, on the Company's ability to acquire and maintain title to its mineral interests. No guarantee can be given that the Company will be in a position to comply with the obligations that this requirement entails, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed.

Furthermore, at any point in time certain of the Company's mineral interests may be the subject of contractual promises to assign, pursuant to which a third party has agreed to assign to the Company, or to an entity in which the Company holds its interest in the applicable property, certain licenses and/or concession contracts upon the issuance of such licenses or concession contracts by the mining registry to the promising party. The failure of a promising party to comply with its contractual obligation could have a materially adverse impact on the Company's interests in the license or concession.
The acquisition of the right to exploit, develop and/or mine its mineral properties is a detailed and time-consuming process. Although the company is satisfied it has taken reasonable measures to acquire unencumbered rights to explore on and exploit its mineral reserves on its mineral interests, there can be no assurances the interest in the Company's properties is free from defects or that the material contracts between the Company and the entities owned or controlled by foreign government will not be unilaterally altered or revoked. There can be no assurances the Company's rights will not be challenged or impugned by third parties, that the Company's interests in properties may be subject to prior unregistered agreements, or that transfers and title may be affected by undetected defects.

ADDITIONAL FINANCIAL MEASURES

The Company has included additional financial performance measures in this MD&A, such as total cash costs, and total production costs, on a per gold ounce basis. The Company reports total cash and production costs on a sales basis. In the gold mining industry, this is a common performance measure but does not have any standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

"Total cash costs per ounce" is calculated from operation's cash costs, which include resource taxes, and dividing the sum by the number of gold ounces sold. Operations cash costs include mining, milling, smelter and other direct costs.

"Total production costs per ounce" are calculated by adding depreciation, amortization and depletion to total cash costs and dividing the sum by the number of ounces of gold sold.

The following tables provide reconciliation to the consolidated financial statements of total cash costs per ounce, and total production costs per ounce:

		Year ended September 30, 2013		Year ended September 30, 2012
Gold sold (ozs)		16,894		18,607
Total cash costs per ounce				
Contractor costs paid to Dahedong	$	17,151,624	$	15,701,388
Smelting costs		390,171		326,253
Resource taxes		2,098,922		974,917
Other direct costs		840,944		704,950
Changes in ending gold concentrate inventory		(1,878,334)		821,490
Total cash costs	$	18,603,327	$	18,528,998
Per ounce sold	$	1,101	$	996
Total production costs per ounce				
Total cash costs	$	18,603,327	$	18,528,998
Depreciation		1,630,177		1,542,652
Amortization of deferred income		(194,860)		(229,652)
Total production costs	$	20,038,644	$	19,841,998
Per ounce sold	$	1,186	$	1,066

FORWARD-LOOKING STATEMENTS

This MD&A contains or incorporates by reference "forward-looking statements" within the meaning of applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein constitutes forward-looking statements, including any information as to the Company's strategy, plans or future financial or operating performance. Forward-looking statements are characterized by words such as "plan", "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating gold prices, currency exchange rates, possible variations in ore grade or recovery rates, changes in accounting policies, changes in the Company's corporate resources, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, risk related to joint venture operations, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, 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 and labour disputes, as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the year ended September 30, 2013, filed with the applicable securities regulatory authorities and available at SEDAR 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, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives, and may not be appropriate for other purposes.

Other Information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's web site www.majesticgold.net.