TOWER RESOURCES LTD. (FORMERLY TOWER ENERGY LTD.)
FORM 51-102.F1 MANAGEMENT'S DISCUSSION AND ANALYSIS – September 29, 2011
FOR THE THREE AND NINE MONTHS ENDED JULY 31, 2011

Overall Performance

Tower Resources Ltd. (formerly Tower Energy Ltd.) is engaged in the business of acquiring, exploring and developing mineral properties. The Company does not have any properties in production and, therefore, did not generate any revenue from operations during the three and nine months ended July 31, 2011 or the year ended October 31, 2010.

On September 8, 2011 the Company changed its name from Tower Energy Ltd. to Tower Resources Ltd. in order to reflect the change in its focus from oil & gas properties to mineral properties.

On September 20, 2011 the Company consolidated its share capital on the basis of one post-consolidated Common Share for four Common Shares currently held. The Company also cancelled its preference shares. All share and per share amounts have been restated to reflect the share consolidation unless otherwise indicated.The management of the Company has determined that, in its opinion, the consolidation of its share capital could improve access to capital markets and institutional investors in the future.

Due to the Company's net loss, the continuation of the Company is dependent upon its ability to attain profitable operations and to generate cash flow there from and/or to raise equity capital through the sale of its securities, or secure additional exploration funding through option or joint venture agreements on its properties, or through the sale of capital assets or properties. On November 30, 2009 the Company closed a private placement of 25,000,000 units (6,250,000 post-consolidation) for net proceeds of $500,000. On November 2, 2010 the Company closed a private placement of 30,000,000 units (7,500,000 post-consolidation) for net proceeds of $1,500,000.

MINERAL PROPERTIES

Summary of incurred acquisition costs and deferred exploration costs is as follows:

	July 31, 2011		
	Acquisition Costs	Deferred Costs	Total
Dorado property	$ 23,000	$ -	$ 23,000
Dragon property	69,000	-	69,000
	$ 92,000	$ -	$ 92,000

Dragon and Dorado properties

The Company entered into an option agreement with Sidewinder Exploration Ltd., dated June 26th, 2011 to acquire up to a 100% (subject to a 2% NSR) interest in two mineral properties known as "Dragon" and "Dorado", located on Vancouver Island, British Columbia.

The 7,200 hectare Dragon (Zn, Cu, Au, Ag) project is located 25 km northwest of Gold River, Vancouver Island and 60 km northwest of the Myra Falls Zn-Cu-Pb-Ag-Au mine (Nyrstar NV), the largest producing volcanogenic massive sulphide deposit in western Canada. Geological mapping of the Dragon property indicates that a strongly silica altered and sulfide mineralized rhyolite flow-dome complex comprises the footwall of a prospective volcanogenic massive sulphide (VMS) horizon which is conformably overlain by limestone. On the Dragon property, the conformable transition from footwall altered felsic volcanic rocks to overlying limestones indicates a shallow marine environment for the hydrothermal system. This geological setting may be prospective for precious metal enriched, Eskay Creek-like VMS mineralization. A historical airborne geophysical survey of the Dragon property outlined several conductors that are coincident with this prospective horizon. These conductors have yet to be tested by diamond drilling. Several VMS occurrences exist on the Dragon property, most notably the Falls-North showing. A 2 meter chip sample from the Falls-North occurrence yielded base and precious metal grades of 7.3% Zn, 1.3% Pb, 0.68 g/t Au and 19 g/t Ag. The prospective horizon that hosts polymetallic VMS mineralization of the Falls-North occurrence has been traced along strike for over 4 kilometres. Historic exploration of the Dragon property by Noranda Inc., and Westmin Resources Ltd. outlined multiple, untested targets. These and other untested targets recently identified by a previous operator will be examined during a 2011 field program comprising geological mapping, rock sampling, geophysical surveys and diamond drilling.

The 2,347 hectare Dorado project (Cu, Au) is located 25 kilometres southwest of Gold River, Vancouver Island. Here, a recently discovered 1.8 km long corridor of strong quartz-epidote-carbonate alteration and associated gold-copper bearing stringer to massive sulfide mineralization has been defined in basaltic volcanic rocks. Grab samples of stockwork-like stringer chalcopyrite mineralization associated with this corridor have yielded up to 1.5% Cu, 0.3 g/t Au, and 12 g/t Ag. An exploration program combining geophysics, geological mapping, stream sediment and soil sampling is planned for the Dorado property during the summer of 2011.

Under the option agreement, the Company may earn an initial 75% interest in the properties by making cash payments of $45,000 and issuing 1.2 million common shares to Sidewinder, in addition to funding aggregate exploration expenditures of $2,000,000 all over a total 41-month period. The Company also has an exclusive right and option to earn an additional 25% interest in the properties (for an aggregate of 100% subject to a 2% NSR) by funding and delivering a Feasibility Study.

Initial field programs on the Dragon and Dorado properties have commenced.

JD property

On September 7, 2011 the Company entered into an agreement to acquire the JD gold - silver property located in the Omineca mining division of British Columbia. Under the terms of the agreement, Tower may acquire a 100% interest (subject to a 2% NSR) in the property.

The JD property comprises 5,575 hectares located in the historically significant Toodoggone gold district of north-central BC. The property is underlain by a thick succession of interlayered volcaniclastic and intermediate volcanic rocks that are locally cut by high level porphyritic intrusions. These rocks appear to host a large epithermal gold-silver system with many significant high-grade gold and silver showings exposed over an area of 3 km2.

The majority of the historic drilling on the JD property was focused on the Finn Zone where in excess of 200 resource style diamond drill holes were completed between 1995 and 1998 by Antares Mining and Exploration Corporation and ACG Americas Gold Corp. Highlights from historic drilling in the Finn Zone include:

- 26m of 6.4g/t Au and 8.4g/t Ag (DDH 94-15)
- 34m of 3.7g/t Au and 17.7g/t Ag including 16m of 7.4g/t Au and 27.6g/t Ag (DDH 95-41)
- 20m of 12.2g/t Au and 161.5g/t Ag including 1m of 216g/t Au and 308.9g/t Ag (DDH 95-47)
- 37m of 4.1g/t Au and 15.2g/t Ag including 13.5m of 8.5g/t Au and 33.2g/t Ag (DDH 95-68)
- 19m of 9.4g/t Au and 64.3g/t Ag including 4m of 17.2g/t Au and 183.8g/t Ag (DDH 95-97)

Historic work on the JD property includes soil and rock geochemistry, geophysics (airborne and ground), trenching and diamond drilling. Previous workers on the property focused on advancing a low tonnage, high grade epithermal

Au-Ag deposit. Tower believes there is potential on the JD property to discover a lower grade, bulk-tonnage gold and silver deposit. Furthermore, the potential exists on the JD property for the discovery of related Cu-Au porphyry mineralization similar to the Kemess Mine (Northgate Minerals) located 30km to the south.

Tower plans to immediately undertake a multi-phase exploration program on the property comprising a property visit and compilation of data from historical exploration. Exploration in 2012 will consist of a ground IP geophysical survey, mapping, and drilling. Tower plans on updating shareholders regularly as exploration proceeds.

Under the terms of the option agreement Tower can earn a 100% interest in the property by making cash payments of $200,000, and issuing 1.2 million common shares over a 5-year period, to the vendors, in addition to funding aggregate exploration expenditures of $5,000,000 over a total 63-month period. The agreement is subject to a 2% NSR, 1% of which can be purchased by Tower for $3,000,000.

OIL & GAS PROPERTIES

Sarcee 12-13-23-4w5m well-deep foothills test well and surrounding lands

On June 13, 2005 the Company entered into an agreement with Arapahoe Energy Corporation for a 10% participating interest in the drilling of a well located at 12-13-23-4 W5M (the "Mississippian Test Well") on the Tsuu T'ina First Nations land immediately west of Calgary. The Company paid $534,283 - 10% of the total well anticipated costs, to earn a 5% working interest in this well and 2,560 surrounding acres ("The Mississippian Block"). The Company paid an additional $340,112; $5,270; $926; $2,961 and $3,571 in well costs in the years ended October 31, 2006 through 2010 respectively.

During the year ended October 31, 2010 management of the Company resolved to relinquish its interest in the property and write off the entire capitalized cost of $897,123.

Poplar Winstar Strachan

On December 4, 2006 the Company entered into an agreement with Poplar Point Energy Ltd. ("Poplar"), to participate in a Participation Agreement between Poplar and Winstar Resources Ltd. ("Winstar"), dated October 20, 2006, wherein Poplar agreed to participate in the Winstar Strachan 8-10-38-10 W5M well in the West Central area of Alberta. The Company paid $300,000 of the drilling, completion and tie in costs of the well to earn an equalization interest 1.2366423%. During the year Winstar sold its interest in the well to Crossbow Energy Partners Ltd, which sold its interest to Vermilion Energy Trust.

During the year ended October 31, 2009 management of the Company resolved to write down the value of the property to the estimated recoverable amount of $1 (2008 - $10,000).

Costs summaries for the Oil and Gas Properties:

July 31, 2011

	Acquisition Costs	Deferred Costs	Write-off of Capitalized Costs	Total
Poplar Winstar Strachan	$ 1	$ -	$ -	$ 1
Sarcee 12-13-23-4W5M well	-	-	-	-
	$ 1	$ -	$ -	$ 1

October 31, 2010

	Acquisition Costs	Deferred Costs	Write-off of Capitalized Costs	Total
Poplar Winstar Strachan	$ 1	$ -	$ -	$ 1
Sarcee 12-13-23-4W5M well	10,000	887,123	(897,123)	-
	$ 10,001	$ 887,123	$ (897,123)	$ 1

Selected Annual Information

Year ended	Revenues	Profit or (Loss)	Profit or (Loss) per share	Exploration Expenditures	General & Admin. Expenditures	Total Assets
	$	$	$	$	$	$
31-Oct-10	-	(1,318,975)	(0.03)	3,571	182,177	1,197,735
31-Oct-09	-	(244,231)	(0.01)	2,961	162,463	978,024
30-Oct-08	-	(270,296)	(0.01)	926	443,640	1,194,331

The net loss of $1,318,975 in the year ended October 31, 2010 includes a loss on write-down of oil and gas property of $897,123 and a loss on disposal of investment of $241,907.

Results of Operations

The following discussion should be read in conjunction with the accompanying financial statements and related notes. The Company realized a net loss of $53,635 and $216,633 in the three and nine months ended July 31, 2011 or $0.00 and $0.01 per share (2010 - $30,025 and $116,800 or $0.00 per share).

Audit and accounting fees totaled $4,870 and $20,685 in the three and nine months ended July 31, 2011 (2010 - $4,583 and $24,934). The Company incurred consulting costs of $6,000 and $19,050 in the period (2010 - $6,000 and $19,725). Management fees were $nil in the period (2010 - $9,000 and $27,000); the decrease is due to termination of services by a former director. The Company recorded stock-based management fees of $19,616 and $64,200 due to the vesting of newly granted stock options (2010 - $nil and $858). Legal fees were $14,016 and $32,701 (2010 - $nil and $5,149); the increase was due to services related to preparation for the Company's annual general meeting, preparation of the Company's new stock option plan, project evaluations, mineral property acquisition and general corporate matters.

Office and miscellaneous expenses were $8,819 and $27,533 in the three and nine months ended July 31, 2011 (2010 - $9,095 and $18,022). Property examination costs in the period were $12,898 and $30,679 (2010 - $nil and $4,528) as the search for potential acquisitions intensified. Transfer agent costs were $828 and $7,146 (2010 -

$654 and $4,414); the increase was due to services related to the Company's private placement, option exercises and preparations for the Company's annual general meeting. Filing fees increased to $1,685 and $13,675 (2010 – $75 and $8,554); the increase was due to the filing of the Company's stock option plan. Travel and promotion costs were $2,949 and $14,220 (2010 - $nil and $10); the increase is due to travel related to corporate finance and project evaluations.

Summary of Quarterly Results

Period	Revenues	Profit or (Loss)	Profit or (Loss) per share	Exploration Expenditures	General & Admin. Expenditures
3rd Quarter 2011	$ -	$ (53,635)	$ -	$ -	$ 76,796
2nd Quarter 2011	-	(75,613)	-	-	76,282
1st Quarter 2011	-	(87,385)	-	-	89,441
4th Quarter 2010	-	(1,202,175)	(0.03)	25	63,856
3rd Quarter 2010	-	(30,025)	-	3,546	30,742
2nd Quarter 2010	-	(54,290)	-	-	55,094
1st Quarter 2010	-	(32,485)	-	-	32,485
4th Quarter 2009	-	(111,276)	(0.01)	-	53,624

Liquidity

The amount of cash on hand as of July 31, 2011 was $2,214,726 as compared to $1,161,864 at October 31, 2010. The primary uses of cash in the three and nine months ended July 31, 2011 were the funding of operations - $38,233 and $175,709 (2010 - $35,713 and $133,071); acquisition of mineral property - $20,000 (2010 - $nil); and repayments to related parties - $1,041 and $4,675 advances received (2010 – repayments of $895 and advances received of $7,104). The main sources of cash were the issuance of shares - $2,500 and $1,217,500 (2010 - $nil and $488,053) and settlement of note receivable - $27,500 and $27,500 (2010 - $nil).

The Company had working capital of $2,184,498 at July 31, 2011.

The Company currently has no source of operating cash flow, limited financial resources, and has no assurance that additional funding will be available to it for further exploration and development of its properties or to enable it to fulfill its obligations under any applicable agreements.

Significant Transactions for the Issue of Share Capital

On November 30, 2009 the Company closed a private placement of 25,000,000 (6,250,000 post-consolidation) units at a price of $0.02 ($0.08 post-consolidation) per unit for gross proceeds of $500,000. Each unit is comprised of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company for $0.05 ($0.20 post-consolidation) up to December 1, 2010 and for $0.10 ($0.40 post-consolidation) for four years thereafter. The Company paid share issue costs totaling $11,917 related to this transaction.

On November 2, 2010 the Company closed a private placement of 30,000,000 (7,500,000 post-consolidation) units at a price of $0.05 ($0.20 post consolidation) per unit and has received the sum of $1,500,000 as gross proceeds of the private placement. Each unit is comprised of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the company for $0.10 ($0.40 post-consolidation) up to November 2, 2015. The shares forming part of the units or which may be purchased upon exercise of the warrants forming part of the units were subject to a hold period expiring on March 3, 2011

On November 30, 2010 8,200,000 (pre-consolidation) warrants from the earlier private placement were exercised at $0.05 for proceeds of $410,000.

In February 2011 50,000 (pre-consolidation) options were exercised at $0.10 for proceeds of $5,000. On April 21, 2011 100,000 (pre-consolidation) options were exercised at $0.10 for proceeds of $10,000. On May 10, 2011 25,000 (pre-consolidation) options were exercised at $0.10 for proceeds of $2,500.

On June 29, 2011 Company issued 1,200,000 (300,000 post-consolidation) common shares for property acquisition.

On August 12, 2011 the Company granted 750,000 (187,500 post-consolidation) incentive stock options to an officer of the Company. The incentive stock options (the "Options") are priced at $0.10 ($0.40 post consolidation) each and may be exercised for a period of up to three years from the date of grant with 12.5% of the options vesting at the date of grant and an additional 12.5% vesting every three months thereafter.

On September 29, 2011 the Company granted 1,000,000 incentive stock options to four directors, an officer and two consultants of the Company. The incentive stock options (the "Options") are priced at $0.35 each and may be exercised for a period of up to five years from the date of grant with 12.5% of the options vesting at the date of grant and an additional 12.5% vesting every three months thereafter. The fair value of $Xwas calculated using the Black-Scholes option pricing model with the risk-free interest rate of X% and calculated volatility of X%.

Authorized and issued share capital as at September 29, 2011

Authorized – Unlimited common shares without par value
Issued and Outstanding: 22,836,931 common shares (post-consolidation)

The following options and warrants were outstanding as at September 29, 2011:

(i) Options

Number	Exercise Price	Expiry Date
456,250	$0.40	November 10, 2013
187,500	$0.40	August 12, 2014
1,000,000	$0.35	September 29, 2016
1,643,750		

(i) Warrants

Number	Terms and expiry dates
4,200,000	$0.40 warrants to December 1, 2014
7,500,000	$0.40 warrants to November 2, 2015

11,700,000

For a detailed description of share transactions please refer to the Company's financial statements.

Related Party

The Company entered into the following transactions with related parties during the three and nine months ended July 31, 2011:

a) Management fees totaling $nil were paid or accrued to a company controlled by Charles Ross, a former director of the Company (2010 - $9,000 and $27,000).

b) Consulting fees totaling $nil and $4,000 were paid or accrued to Len Guenther, a director of the Company and $6,000 and $14,000 to a company controlled by the director (2010 - $6,000 and $17,000 to the director).

c) "Office and miscellaneous" includes rent totaling $2,250 and $6,750 paid to Goldex Resources Corporation, a company formerly related by common directors and officers (2010 - $6,200 and $12,200).

d) The Company incurred $nil and repaid net $413 in expenses to a company related by a common director and officer.

The above transactions have been in the normal course of operations and have been valued in the financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Amounts due to related parties are unsecured, non-interest-bearing and have no specific terms of repayment; accordingly, fair market value cannot be determined.

As of July 31, 2011 the Company owed the following amounts to related parties:

	July 31, 2011	October 31, 2010
i. Company with a director in common for expenses	$ -	$ 414
ii. Company controlled by a director for expenses	448	-
iii. CEO for expenses	7,256	5,220
iv. CFO for expenses	3,210	-
v. Director for expenses	-	604
vi. Former director for loans	216	216
	$ 11,129	$ 6,454

Risks and Uncertainties

The main risks that can affect the Company include operational risks, changes in commodity and equity prices, and government regulation.

Operational

The Company has changed its focus from oil and gas exploration to mineral exploration.The mineral exploration business is speculative and involves a high degree of risk.

There can be no assurance that the Company's exploration activities will be successful as few properties that are explored are ultimately developed into producing mines. It is impossible to ensure that the current exploration programs being carried out or planned by the Company will result in a profitable commercial mining operation. At present, none of the Company's properties have a known body of commercial ore and any proposed exploration programs are an exploratory search for ore.

In addition to the risk that no economic body of ore exists on its properties, the Company is subject to an extensive array of other economic, political and technical risks in exploring and developing its mineral properties, including, without limitation, volatile stock and currency markets, fluctuations in metals prices, competition, changing government regulations, title issues, undercapitalization, the potential for delays in exploration, the potential for unexpected costs and expenses, accidents, the availability of key personnel and political instability. Since the Company has no revenues, the acquisition and development of its properties depends upon its ability to obtain financing through private placement financings, public financings, the joint venturing of projects or other means. There can be no assurance that the Company will be successful in obtaining the required financings

Commodity and equity prices

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Government regulation

The Company's operations may be adversely affected by changes in Governmental policies or other economic developments which are not within the control of the Company including a change in crude oil or natural gas pricing policy, taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could increase the cost of operations.

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of annual financial statements and the Management's Discussion and Analysis ("MD&A"). The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

New Accounting Standards Not Yet Adopted

International Financial Reporting Standards

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of November 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended October 31, 2011.

The Company has begun to assess its requirements and first time adoption methodologies, including its internal training and resource needs and first time adoption implications. Management has developed a project plan for the conversion to IFRS. The conversion plan is comprised of three phases:

1) Scoping phase which will assess the overall impact and effort required by the Company in order to transition to IFRS;

2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter; and,

3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at November 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant pro forma financial statements including all note disclosures and disclosures required for the MD&A.

Management has completed phase one, and is now progressing through phase two and three. Management prepared a component evaluation of its existing financial statement line items, comparing Canadian GAAP to the corresponding IFRS guidelines, and has identified a number of differences. Many of the differences identified are not expected to have a material impact on the reported results and financial position. Management is working towards policy choices by the fourth quarter of 2011.

IFRS 1, "First-Time Adoption of International Financial Reporting Standards"

Under IFRS most adjustments made on transition to IFRS must made, retrospectively, against opening retained earnings as of the date of the first comparative balance sheet presented based on standards applicable at that time. IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. During the third quarter of 2011, management will prepare a presentation to the Audit Committee and the Board of Directors which will focus on the key issues and transitional choices under IFRS 1 applicable to the Company. Set out below are the most significant areas, management has identified to date, where changes in accounting policies may have the highest potential impact on the Company's financial statements based on the accounting policy choices approved by the Audit Committee and Board of Directors.

Share-Based Payments
IFRS and Canadian GAAP largely converge on the accounting treatment for share – based transactions with only a few differences. Canadian GAAP allows either accelerated or straight line method of amortization for the fair value of stock options under graded vesting. Currently, the Company is using the straight line method. IFRS 2, on the other hand, allows only the accelerated method. Under IFRS, the estimate for forfeitures must be made when determining the number of equity instruments expected to vest, while under Canadian GAAP forfeitures can be recognized as they occur. Upon adoption of IFRS, the Company will change both the method of amortization, which would give rise to an accelerated compensation expense, and the method of forfeiture recognition.

Future Income Taxes
Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

Based on management assessment of the information system currently used by the Company, all information required to be reported under IFRS will be available with minimal system changes.

One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note references. The Company is continuing to assess the level of presentation and disclosures required to its consolidated financial statements.

In the period leading up to the changeover in 2011, the AcSB has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's consolidated financial statements can only be measured once all the IFRS accounting standards at the conversion date are known. Management will continue to review new standards, as well as the impact of the new accounting standards, between now and the conversion date to ensure all relevant changes are addressed.

Business Combinations
In January 2009, the CICA issued Handbook Section 1582, Business Combinations, which replaces the existing standards. This section establishes the standards for the accounting of business combinations, and states that all assets and liabilities of an acquired business will be recorded at fair value. Estimated obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. This standard is equivalent to the International Financial Reporting Standards on business combinations. This standard is applied prospectively to business combinations with acquisition dates on or after January 1, 2011. Earlier adoption is permitted.

This report includes certain "forward looking statements" with respect to its anticipated future results and activities. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various risks. Actual results could differ materially from those projected as a result of the following factors, among others: risks inherent in mineral exploration; risks associated with development, construction and operations; the uncertainty of future profitability and uncertainty of access to additional capital. The information provided herein with respect to the Company's properties and activities should be read in reference to the technical reports and other relevant disclosure documents prepared by or on behalf of the Company, which may be viewed by interested parties at www.sedar.com.