JAYDEN RESOURCES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in financial condition and results of operations of Jayden Resources Inc.("Jayden" or the "Company") as at December 31, 2014 and 2013 and for the years then ended.

This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 and supporting notes. These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All monetary amounts are in Canadian dollars unless otherwise specified. The effective date of this MD&A is March 31, 2015. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Contents of the MD&A

1. Overview

Jayden is in the advanced stage of exploration on its 80% owned Silver Coin Property. The Silver Coin Property is located approximately 25 kilometres by road north of Stewart, British Columbia in the Skeena Mining Division of British Columbia and consists of 44 claims totalling 1,496 net Ha.

Since 2004, the Company, along with its joint venture partner Mountain Boy Minerals Ltd. ("Mountain Boy"), has conducted extensive exploration as well as environmental, metallurgical and resource studies on its Silver Coin Property. In April 2007, Minefill Services calculated a NI 43-101 compliant resource on the Silver Coin Property. Subsequently, the Company conducted aggressive drill campaigns in 2007 and 2008. In December of 2009 Tetra Tech Inc. completed a NI 43-101 compliant Preliminary Economic Assessment, incorporating the new drill holes and issued an update to this report on March 12, 2010.

The Company completed a drill program in September of 2010 with the objectives of confirming historical drill results, filling in undrilled portions of the mineralization, extending the mineralization to the north of the existing resource and obtaining fresh core for continued metallurgical testing. Based on this new drilling, the Company contracted Minarco MineConsult to complete an updated NI 43-101 compliant Technical Report and Preliminary Economic Analysis with an updated resource which was issued April 13, 2011.

Jayden began a significant drill program in May 2011 with the principal objective of reducing hole spacing in the main resource area. This program was completed in September of 2011 with a total of 109 core holes drilling 17,468m. In addition to Jayden's normal core logging/QAQC and assay procedures the Company determined specific gravity for representative samples of much of the 2011 core to bolster the Company's engineering data.

Jayden has conducted the majority of its exploration on its properties using third party geological consultants and subcontractors.

The Company is taking additional steps to advance the Silver Coin Property toward production including contracting AMEC Earth and Environmental to continue environmental baseline studies begun in 2009 by Cambria Gordon Ltd. This baseline environmental work will support future permitting efforts.

Metallurgical test results, including comminution testing, show that the Silver Coin mineralization can be effectively treated using standard milling practices. During 2011 the Company conducted an aggressive metallurgical test program. The test work confirmed the Company's previous favorable recovery estimates and confirmed that a gravity circuit may be useful in recovering free gold and electrum, that a bulk sulphide concentrate will recover very high percentages of the gold and silver and that concentrate can be treated effectively by cyanide to recover an overall 87% of the gold and roughly 50% of the silver in a dore.

2. Overall performance for the year ended December 31, 2014

The Company's performance for the year ended December 31, 2014 was a net loss of $710,083 (2013: $2,069,062). The change is primarily caused by the decrease of professional fees from $1,174,865 in 2013 to $94,153 in 2014 due to the corporate finance services outside of Canada and advisory fees related to the planning of dual listing in 2013.

Current loss is mainly attributable to administrative expenditures $188,752 (2013: $246,728), staff costs of $234,786 (2013: $411,759) and share-based payments of $125,100 (2013: Nil).

As Jayden is still undergoing analysis on its Silver Coin property, the Company is continually incurring fees to maintain and assess the property's underlying value. The Company relies heavily on equity financing which are dependent on economic factors. The Company is continually assessing its treasury and seeking financing to support its operations.

In 2014, the Company completed a non-brokered private placement of $204,000 of unsecured convertible debentures as well as a non-brokered private placement which raised $570,000.

3. Results of operations for the year ended December 31, 2014

The following table sets forth selected consolidated information for the year ended December 31, 2014, 2013 and 2012.

	Three Months ended December 31,			Twelve Months ended December 31,		
	2014	2013	2012	2014	2013	2012
	$	$	$	$	$	$
Other revenue and net income	-	1	5	921	7,098	740
Administrative expenses	(147,795)	(992,956)	(503,322)	(711,004)	(2,076,160)	(1,871,459)
Other operating expenses	-	-	-	-	-	(6,085)
Net loss for the period	(147,795)	(992,955)	(503,317)	(710,083)	(2,069,062)	(1,876,804)
Basic and diluted loss per share	(0.001)	(0.001)	(0.003)	(0.010)	(0.040)	(0.086)

Because the Company is an exploration company, it has no revenue from mining operations.

The table below sets forth selected results of operations for the Company's eight most recently completed quarters.

	Dec 31, 2014	Sept 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	Jun 30, 2013	Mar 31, 2013
Net loss	(147,795)	(92,827)	(292,888)	(176,573)	(992,955)	(200,158)	(656,193)	(219,756)
Basic and diluted loss per share ($CDN cents)	(0.00)	(0.00)	(0.01)	(0.01)	(0.03)	(0.01)	(0.03)	(0.01)
Write-down of interests in mineral properties	-	-	-	-	-	-	-	-
Share-based payments	-	-	125,100	-	-	-	-	-
Total assets	16,382,207	16,318,977	16,405,649	16,539,411	16,424,002	16,352,258	16,292,673	16,898,353
Working capital	96,968	39,351	119,691	324,162	39,862	(1,171,737)	447,701	1,063,244

During the quarter ended December 31, 2014, the Company incurred a net loss of $147,795 compared to $992,955 for the quarter ended December 31, 2013. The change is mainly due to the financing expenses related to preparation of dual listing, legal advisory fees and financial advisory fee occurred in the quarter ended December 31, 2013.

Net loss of $147,795 was mainly due to administrative expenses $47,765 (2013: $98,091) and salaries of $60,679 (2013: $77,671). The decrease in administrative is primarily due to the decreased management fee/rent and office expenses charged by Baron Global Financial. The decrease in salaries is due to the layoff of one employee during the year.

3.1 Exploration projects

3.1.1 Silver Coin Property:

GEOLOGY
The Silver Coin Property covers an area of intensely altered Lower-Jurassic Age intermediate volcanic rocks. Detailed regional and property scale geologic mapping conducted by government and Company-contracted geologists indicates that the area was a regional paleotopographic high with a stratovolcano centered on the nearby Mount Dilworth. The rocks are cut by a variety of intrusive rocks of both early Jurassic and Eocene Age. During the 2011 field season, the Company conducted detailed geologic mapping of the lithology, alteration and structure of the main resource area. This work confirmed several of the working theories related to controls on the mineralization but also added important new insights on the alteration and structure that may control mineralization.

HISTORY
In 1991, Silver Coin was operated as an underground mine and produced 102,539 tonnes at an average grade of 8.9 g/t Au and 55.50 g/t Ag from the high-grade Facecut Zone, located on the Big Missouri claim. This ore was processed at the nearby Silbak Premier Mill.

Prior to the Company's participation in the Silver Coin Property, a total of 422 holes were drilled with an aggregate depth of approximately 37,401 meters. This historic drilling included 293 underground drill holes with an aggregate depth of approximately 17,500 meters during the period from 1988 to 1994.

In 2004, the Company entered into a joint venture agreement with Mountain Boy Minerals Ltd and since June 2006, the Company has been the operator of the Silver Coin Property, with Mountain Boy serving in advisory and contractor capacities. Mountain Boy was granted a first right to negotiate contracts to provide services in connection with exploration and development work on the Silver Coin Property and this has proven very beneficial to the Company because of their extensive local knowledge and operational capability.

In 2010, the Company contracted AMEC Earth and Environmental to continue with environmental baseline studies started in 2009 by Cambria Gordon Ltd. AMEC expanded the water sampling and hydrology program and importantly, confirmed Cambria Gordon's conclusion that No Name Lake is non-fish-bearing. To RIC standards, No Name Lake, a potential site for tailings placement, is devoid of fish and thus remains a potentially viable option for design and operation of the project. AMEC focused on surface hydrology studies to characterize flow rates and surface water quality in several critical streams on the property. AMEC also installed a continuously monitoring weather station on the property to establish baseline air quality and climate data for the project.

Also in 2010, the Company drilled 18 holes totaling 2,807 meters with the objective of confirming historical drilling, better understanding the geology and expanding the resource. Based on these new drill results the Company completed a 43-101 compliant Technical Report and Preliminary Economic Analysis dated April 13, 2011. This updated resource estimate represented an overall increase in the average gold grade of 10.9 percent and an 11.1-percent increase in the number of resource ounces previously reported, from 191,300 measured ounces, 644,300 indicated ounces and 655,200 inferred ounces, to 218,410 measured ounces, 624,006 indicated ounces and 813,273 inferred ounces. The updated resource estimate incorporated a total of 732 drill holes (88,645 metres) plus 76 trenches (1,447 metres).

Silver Coin hosts a gold-silver-zinc deposit containing a 43-101 compliant resource of 24.13 million tonnes grading 1.08 g/t gold for a total of 842,416 ounces of gold, 4.45 million ounces of silver and 91.17 million pounds of zinc in the measured and indicated categories at a 0.3 gram gold per tonne cut-off grade. The estimated inferred resources comprise an additional 813,273 ounces of gold, 6.69 million ounces of silver and 128 million pounds of zinc. Minarco MineConsult of Beijing, China estimated the resource in a technical report dated April 13, 2011 as follows:

0.3 gt Au Cut-off	Tonnes	Au (g/t)	Ag (g/t)	Zn (%)	Au (oz)	Ag (oz)	Zn (lbs)
Measured	4,372,225	1.55	6.53	0.26	218,410	918,417	25,531,741
Indicated	19,759,025	0.98	5.57	0.15	624,006	3,537,769	65,642,277
M&I	24,131,250	1.08	5.74	0.17	842,416	4,456,186	91,174,018
Inferred	32,443,840	0.78	6.41	0.18	813,273	6,691,185	128,006,920

In summary, the Silver Coin Property hosts a substantial gold and silver resource, it is likely amenable to open pit mining and/or underground mining. The metallurgy of the mineralization is excellent offering high recoveries and flexible options for concentrate treatment. Reliable electric power is available just a few kilometers from the site, it is road accessible and the Granduc Road links Silver Coin with the deep water seaport at Stewart, B.C.

2011 DRILLING

During the summer of 2011, the Company drilled a further 109 holes totalling 17,468m. The drill program was successful in increasing the drill density of the resource area and identifying significant widths of good grade gold and silver mineralization. Highlights from the program include:

DHID	From	To	Interval	Gold Weighted Average (g/T)	Silver Weighted Average (g/T)	Gold Weighted Average (oz.t)	Silver Weighted Average (oz.t)
SC11-328	41.2	57.68	16.48	1.553	6.625	0.045	0.193
SC11-334	8.2	35.91	27.71	1.334	7.609	0.039	0.222
SC11-341	89.57	106	16.43	2.673	14.247	0.078	0.416
SC11-350	99.2	104.3	5.1	4.235	13.261	0.124	0.387
SC11-351	93.5	150.16	56.66	1.476	4.714	0.043	0.138
SC11-351	189.67	202.69	13.02	2.743	3.761	0.080	0.110
SC11-353	171.05	174.12	3.07	18.747	11.768	0.547	0.343
SC11-354	113.37	129.87	16.5	2.109	16.577	0.062	0.483
SC11-354	143.64	152.42	8.78	2.044	9.038	0.060	0.264
SC11-356	136.25	148.44	12.19	1.188	4.711	0.035	0.137
SC11-356	153.18	160	6.82	2.290	6.980	0.067	0.204
SC11-356	185.93	192.27	6.34	3.701	10.895	0.108	0.318
SC11-357	91.5	94.5	3	24.964	14.650	0.728	0.427
SC11-357	184	200.56	16.56	3.250	10.815	0.095	0.315
SC11-357	204.35	208.85	4.5	2.134	5.267	0.062	0.154
SC11-358	91.5	117	25.5	1.851	3.375	0.054	0.098
SC11-358	133	161.35	28.35	1.252	4.764	0.037	0.139
SC11-358EXT	133	162.87	29.87	1.158	2.050	0.034	0.060
SC11-358EXT	158	159.56	1.56	4.319	2.800	0.126	0.082

SC11-359	112.72	122	9.28	2.596	10.374	0.076	0.303
SC11-360	14.15	24.34	10.19	2.156	7.411	0.063	0.216
SC11-361	58.04	66	7.96	25.239	34.726	0.736	1.013
SC11-362	146	157.6	11.6	2.495	10.265	0.073	0.299
SC11-363	128	155.02	27.02	5.717	13.879	0.167	0.405
SC11-363	156.4	170.84	14.44	1.654	5.873	0.048	0.171
SC11-363	173.5	191	17.5	1.753	4.804	0.051	0.140
SC11-365	89.46	93.49	4.03	3.796	11.191	0.111	0.326
SC11-367	58	80.66	22.66	1.152	4.853	0.034	0.142
SC11-368	128.5	131.56	3.06	7.154	22.348	0.209	0.652
SC11-370	198.1	210.5	12.4	0.940	3.243	0.027	0.095
SC11-370	235.95	249.33	13.38	2.816	34.248	0.082	0.999
SC11-373	247.8	248.76	0.96	13.630	83.900	0.398	2.447
SC11-376	44.5	46	1.5	9.900	5.200	0.289	0.152
SC11-404	64.46	80.58	16.12	7.104	10.768	0.207	0.314
SC11-409	15.24	21	5.76	2.687	47.630	0.078	1.389
SC11-409	26.7	29.98	3.28	3.542	118.630	0.103	3.460
SC11-417	58.71	71.16	12.45	3.643	22.107	0.106	0.645
SC11-417	82.97	89	6.03	7.919	28.684	0.231	0.837
SC11-421	42	51	9	1.642	62.052	0.048	1.810
SC11-422	18.29	25.36	7.07	2.079	10.537	0.061	0.307
SC11-422	30.18	33.22	3.04	6.902	32.200	0.201	0.939
SC11-424	78.45	96.93	18.48	11.684	18.885	0.341	0.551
SC11-425	35.97	45.11	9.14	5.102	21.881	0.149	0.638
SC11-431	5.33	8.68	3.35	5.595	41.847	0.163	1.221
SC11-433	40.53	43.58	3.05	5.668	16.711	0.165	0.487
SC11-434	46.44	49	2.56	7.959	47.965	0.232	1.399
SC11-437	39.7	46.66	6.96	4.339	14.609	0.127	0.426
SC11-437	112.54	117	4.46	14.979	60.272	0.437	1.758
SC11-438	66.57	69.49	2.92	6.612	9.547	0.193	0.278
SC11-439	125.07	126.57	1.5	5.224	22.100	0.152	0.645
SC11-439	147	148.5	1.5	21.220	9.800	0.619	0.286
SC11-440	33.53	37.05	3.52	6.787	30.132	0.198	0.879

In 2011, the Company also advanced metallurgical studies that incorporated lower sample head grades that were closer to the expected ore grades for the current modeled open pit. The laboratory testing used a blended master composite sample (1.2 g/t Au, 4 g/t Ag) and other variability samples (grading from 0.5 g/t to 2.5 g/t Au) obtained from drill core intervals. These samples were used to simulate the response that would be expected in processing such ore by gravity and flotation, with the option of cyanide leaching of the flotation concentrate.

These metallurgical results indicated that the lower grade feeds responded very well to standard flotation procedures. Further, the test data indicated that gravity pre-treatment is effective in recovering coarse gold and electrum which in turn improves the gold and silver leach response. The combined gravity and flotation recovery is expected to be approximately 96% for gold and 87% for silver. Leach recovery of the sulphide concentrate varied, with gold dissolution ranging from 85% to 95%, with lower grade concentrates trending toward the lower recoveries. Silver leach dissolution rates ranged from 40% to 60%. A typical flotation concentrate might be expected to grade 29 g/t Au and 93 g/t Ag, contained in less than 5% of the original feed weight, thereby greatly reducing the size of a leach circuit. Optionally, with additional flotation cleaning the final concentrate can be upgraded further to as little as 2% of the original feed weight. This indicates excellent upgrading potential which may allow the Company the option to sell or treat the concentrate offsite. In summary, this preliminary round of metallurgical testing showed excellent flotation response that allows for a variety of process options to be considered in advancing the project.

Environmental baseline studies on the project site were continued in 2011 by AMEC, including monitoring the Company's continuously recording meteorological station and certain improvements were made to expand the data collected from the network of stream sites.

Long Lake Hydro is a private company developing a significant hydroelectric power project that will produce power year round from turbines less than four kilometers from the proposed plant site at Silver Coin. New public BC hydro lines will connect to the turbines and the Company will have access to dependable public-utility power within a few kilometers of the property with minimal capital expenditure.

In late 2011, the Company initiated infrastructure studies to advance understanding of important development aspects of Silver Coin. The Company contracted Allnorth Consultants Ltd. to design infrastructure such as road access, building design and location, routing between the proposed open pit mine and the mill and waste facilities, design of electric transmission lines to bring power to the project from the Long Lake Hydro turbines and associated costs for all this construction and infrastructure development.

During 2011, the Company also made several important advances in its ownership of the project. These include the acquisition of the 4 large INDI claims from Nanika Resources and the addition of a number of cell claims staked by the Company both within and peripheral to the core claim block. Also during 2011, the Company completed its required expenditure of $4 million on the project to earn an additional 10% to bring its total ownership in Silver Coin to 80%. To allow greater flexibility in future operational planning, the Company entered into an option to purchase the two Grassy claims from Decade Resources. These claims are east of and contiguous to the main Silver Coin block and could provide additional space for future operations at the site.

The Company also expanded the scope of work from AMEC to include detailed design of waste rock facilities and tailings impoundments based on recent work by Minarco to develop a mine and mill plan for the project.

During the summer of 2011, the Company completed a program of 115 surface chip samples at various locations in the property in historic trenches and other outcrop sites. While the results were effective in validating the historic trench results, they were not extensive enough to be statistically comparable as a whole. A comprehensive surface mapping program was also carried out on the property during this period by Consulting Geologist Gerry Ray which provided important new information and interpretation regarding the structural history of the project area, as well as a detailed plan map of the surface expression of structural features, lithological units and alteration patterns.

2012 WORK

During 2012, the Company focused on advancing technical and engineering studies through its main contractors, AMEC Earth and Environmental, All North Consultants Ltd. and Minarco Mineconsult in support of developing a plan for building the projects and demonstrating its economic viability.

During 2012, the Company did not do any field exploration work while it focused on completing internal studies.

2013 & 2014 WORK

During 2013, the Company contracted the engineering firm Mining Plus Canada Ltd. of Vancouver, BC to look specifically at the high-grade areas of the resource at Silver Coin. Whereas in the past, resource studies on Silver Coin encompassed and focused on the global resource with the aim toward open pit mining, Mining Plus focused its 2013 study on just the known high grade zones of the property with the intent of determining if the project was amenable to underground mining. Based on this work, the Company contracted Mining Plus to complete a new 43-101 compliant resource estimate on Silver Coin using drill data from the known high-grade zones.

The new resource estimate was included in the report entitled "NI 43-101 Technical Report on the Silver Coin Project" (the "Report"), dated August 2013. The resource is contained within several high-grade zones on the project which are centered around and extend away from the area of existing underground development where limited production took place in the early 1990's.

This current resource is focused on the Main, North, East and West Zones and is tabulated below:

SILVER COIN CLASSIFIED RESOURCES (at cut-off 2 g/t Gold for all zones)

Category	Tonnage t	Au g/t	Ag g/t	Zn %	Pb %	Cu %
Indicated	702,000	4.46	17.89	0.88	0.33	0.07
Inferred	967,000	4.39	18.98	0.64	0.25	0.04

A full breakdown of the resource by individual zones is provided in the Report at SEDAR.

The Report noted that the resource does not comprise all the narrow gold zones suitable for underground extraction and there is good potential to expand this high-grade resource with further work. This may include more detailed optimization of the current resource, the upgrade of unclassified zones to indicated or inferred (where there is insufficient data), plus the definition of additional high grade lenses to the east and sub-parallel to the Main Zone and to the north of the North Zone. There is also potential for additional near-surface gold zones which may be suitable for open pit mining and which may add to the current high grade resource.

In August 2013, the Company contracted environmental consultants Keystone Environmental Ltd. to undertake a scientific review of all previous environmental studies on the property and to assess and identify data gaps in preparation for a future application for an Environmental Assessment (EA). The review focused on the proposed changes from an open pit mine to an underground high grade mining operation.

As part of their study, Keystone conducted a field program of rock and water sampling in September 2013 to support assessment of mine site conditions in regards to the potential for Metal Leaching/Acid Rock Drainage (ML/ARD) and environmental impacts including fisheries, wildlife, water quality and atmospheric conditions.

Samples were collected for lab analysis and interpretation which included water quality and biota sampling from lakes and creeks, collection of soil/rock overburden for metals testing and acid/base accounting (ABA), plus drainage/seepage samples for metal content and pH levels, and collection of suitable drill core samples for kinetic ML/ARD tests (humidity cell tests).

Recommendations were also made regarding future data requirements for the EA process.

Towards the end of 2013, metallurgist Frank Wright was contracted by Jayden to complete a small metallurgical test work program on higher grade composites from the high-grade core zone that more closely simulate a higher grade underground resource model. His work followed general procedures that were established on earlier lower grade samples, but with a new focus on higher grade feed and for producing separate zinc concentrates and pyrite (gold values), with possible differential flotation of lead. Test work consisted of one locked cycle test and three concentrate characterizations, with the results to be incorporated in a flotation circuit design for a future preliminary economic assessment (PEA) study, which eliminates the need for cyanide in the process circuit.

This phase of metallurgical work also served to provide tailing samples for static and kinetic testing, as part of the environmental requirements for the project.

Metallurgical and environmental studies were completed by January 2014, and no further work was undertaken on the property during 2014.

With regard to property and claim ownership in 2013, the Company terminated their Option Agreement to purchase the two Grassy claims from Decade Resources and the associated final cash payments were not made.

4. Liquidity and capital resources

The following table summarizes the Company's cash on hand, working capital and cash flow

As at December 31,		2014		2013
Cash and cash equivalents	$	147,220	$	241,500
Working capital		96,968		39,862

Year ended December 31,		2014		2013
Net cash used in operating activities		(655,129)		(1,461,953)
Net cash used in investing activities		(193,570)		120,185
Net cash provided by financing activities		754,419		1,356,194
Net change in cash	$	(94,280)	$	14,426

The Company performed a private placement as well as a convertible debenture which improved the overall working capital. The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will require additional funds in 2015 to continue its exploration program.

The Company's 2014 working capital improved to $96,968 (2013: $39,862) due to the completion of a non-brokered private placement of $204,000 of unsecured convertible debentures as well as a non-brokered private placement which raised $570,000. The Company's financing activities amounted to $754,419 (2013:1,356,194) as the Company raised $2,513,964 gross proceeds through a rights offering.

The Company's operating activities was $655,129 (2013: $1,461,953), the decrease in 2014 was primarily due to the decreased expense in professional fees $94,153 (2013: $1,174,865).

The Company's investing activities was $193,570 (2013: $(120,185)) the increase in investing activity is due to the additional funding received in 2014. The cash inflow in 2013 is primarily due to receipt of mining tax credit which exceeded the cash spent on exploration activities.

To maintain the Silver Coin Property in good standing, no work or payments are required on the majority of the claims until October 2017, with the exception of the Kansas claim which is a Crown Grant and therefore subject to an annual tax payment of $24. Several recently acquired cell claims, which overlie some of the older Silver Coin legacy claims, have annual payments due in September 2014. (Paid)

The Company will need to continue to raise more funds in order to proceed with its exploration plans.

4.1.1. Share capital and stock options

(a) Share capital

On August 1, 2013, the Company consolidated shares of the Company on the basis of one (1) post-consolidated common share for every ten (10) pre-consolidated common share held.

On October 23, 2013, the Company filed a short form prospectus with all the securities commissions in Canada related to Rights Offering. The Company granted shareholders of record at November 8, 2013, rights to purchase additional shares. The Company issued one right for each share held on the record date. One right entitles the holder to buy one share for 10 cents. The rights expired at 2 p.m. (Vancouver time) on December 6, 2013. Net proceeds from the Rights Offering are planned for a phase 1 work program on the Silver Coin property and for administrative expenses and working capital for the next 12 months. On December 10, 2013, the Company completed its rights offering. Pursuant to the rights offering, The Company issued in total 25,139,641 ordinary shares (the "Ordinary Shares") at a subscription price of $0.10 per Ordinary Share (the "Subscription Price"), providing gross proceeds of $2,513,964. The Company incurred total share issuance costs of $141,898 related to Rights Offering. The Company's total issued and outstanding Ordinary Shares increased to 50,279,282 as of year ended December 31, 2013.

On March 26, 2014, the Company closed a non-brokered private placement consisting of 5,700,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $570,000. Each Unit consists of one common share of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") of the Company at a price of $0.12 per Warrant Share until March 25, 2016. The fair value of the common share component of the Units at the date of issuance was $0.10 being equal to market price therefore the Company allocated the entire $570,000 to common shares and nil to warrants.

On August 8, 2014, upon the approval of the disinterested shareholders, the Company issued 2,513,964 Guarantor Shares to Gather Success Holding Limited, a Company held by Ms. Letty Wan Ho Yan, the CEO and a director of the Company, under the Rights Offering in 2013.

The Company has no shares remaining in escrow at December 31, 2014.

(b) Stock options

The Company has a stock option plan whereby the maximum number of shares subject to the plan, in the aggregate, shall not exceed 10% of the Company's issued and outstanding shares. The maximum term of any option will be ten years and the vesting is at the direction of the board, however, options granted to consultants performing "investor relations' activities" must at a minimum vest in stages over a period of not less than twelve months, with no more than ¼ of the options vesting in any three month period or such longer period as the board determines. The exercise price shall be no less than the discount market price as determined in accordance with TSE policies.

During the year ended December 31, 2014 the Company granted 1,425,000 stock options to officers, directors, and consultants at an exercise price of $0.11 per share for a period of 5 years. During the year ended December 31, 2014, 181,500 options expired unexercised.

	Number of Options	**Weighted Average Exercise Price**
Balance, December 31, 2012	1,752,000	$ 1.90
Expired	(2,000)	2.00
Balance, December 31, 2013	1,750,000	1.90
Granted	1,425,000	0.11
Expired	(181,500)	1.78
Balance, December 31, 2014	**2,993,500**	**$ 1.03**

Expiry Date	Exercise Price	Number of Options outstanding and exercisable	Weighted average remaining contractual life(year)
	$		
June 2, 2015	2.00	1,123,500	
January 6, 2017	1.50	445,000	
April 4, 2019	0.11	1,425,000	
		2,993,500	2.49

During the year ended December 31, 2014 the Company recognized $125,100 (2013 - $ nil) of share-based compensation expense. The Company used the Black-Scholes option pricing model to estimate the fair value of the options at the grant date using the following weighted average assumptions:

	2014
Risk-free interest rate	1.52%
Dividend yield	Nil
Expected volatility	112%
Expected option life	5.0 years

Option pricing models require the input of highly subjective assumptions regarding the expected volatility. Changes in assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a realistic measure of fair value of the Company's stock options and warrants at the date of the grant or thereafter.

(c) Share purchase warrants

On March 26, 2014, the Company closed a non-brokered private placement consisting of 5,700,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $570,000. Each Unit consists of one common share of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") of the Company at a price of $0.12 per Warrant Share until March 25, 2016. The fair value of the common share component of the Units at the date of issuance was $0.10 being equal to market price therefore the Company allocated the entire $570,000 to common shares and nil to warrants.

Summary of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: 5,000,000,000 shares with no par value.
(2) As at the date of this MD&A, the Company has 58,493,246 common shares, 2,993,500 options and 5,700,000 warrants issued and outstanding.

4.1.2. Contractual commitments

The Company entered into consulting contracts providing the following services:

	Monthly Fee	Service Provided
	$	
Baron Global Financial Canada Ltd.	5,000	Corporate advisor
James Andrew & Company	6,000	Consultant
TransMax Investing	5,000	Management
Letty Wan	HK$60,000	Management and director's fees

5. Related party transactions

(a) Related party expenses

The Company incurred the following material related party transactions during the respective years:

Services provided for the year ended December 31, 2014	Management services	Consulting and advisory services	Rent and office expenses
	$	$	$
Baron Global Financial Canada Ltd. (1)	58,500	-	31,500

Services provided for the year ended December 31, 2013	Management services	Consulting and advisory services	Rent and office expenses
	$	$	$
Baron Global Financial Canada Ltd. (1)	78,000	-	42,000
Baron Capital Ltd. (2)	-	438,235	-

(1) Mr. Herrick Lau Mong Tak, officer of the Company, is the managing director of Baron Global Financial Canada Ltd.

(2) During the year ended December 31, 2013, the Company incurred related party expenses of $438,235 which were payable to BCL HK which Ms. Letty Wan Ho Yan, the CEO and a director of the Company, has indirect controlling equity interest in BCL HK. The $438,235 was a termination payment to BCL for financial advisory fee in relation to listing application.

(b) Compensation of key management personnel

Key management personnel are the directors of the Company whose compensation included in staff costs comprised the following:

	Years ended December 31	
	2014	2013
	$	$
Management fee	162,322	173,792
Director's fee	-	56,840
Share based payments (Note 9)	125,100	-
	287,422	230,632

6. Adoption of accounting standards and pronouncements under IFRS

The Company has adopted the following new standards and their consequential amendments effective January 1, 2013: IFRS 10, 'Consolidated Financial Statements', IFRS 11, 'Joint Arrangements', IFRS 12, 'Disclosure of Interest in Other Entities', IFRS 13, 'Fair Value Measurement'; and those effective January 1, 2014: IAS 36, 'Impairment of Assets', and IFRIC 21, 'Levies' . The adopted standards and amendments have not had any impact on the Company's consolidated financial statements.

<u>New and Revised IFRS Issued but Not Effective</u>

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below except those which the Company does not expect any impacts on the consolidated financial statements.

IFRS 9 Financial Instruments

IFRS 9, Financial Instruments, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39, Financial Instruments – Recognition and Measurement, for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. The effective date of this new standard has recently been deferred by the IASB. The Company has not yet assessed the impact of this standard or determined whether it will adopt the standard early.

7. Financial instruments

The Company is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks. The Company has not used any derivatives or other instruments for hedging purposes and does not hold or issue derivative financial instruments for trading purposes. The most significant risks to which the Company is exposed to are described below.

(i) Currency risk

Some of the operating expenses and cash held are denominated in foreign currencies and as such are subject to currency risk. The Company does not enter into derivative financial instruments to mitigate this risk but the Company does not believe its net exposure to foreign exchange risk is significant.

The following table details the Company's sensitivity to a 10% increase or decrease in the Canadian dollar against the foreign currency denominated monetary items above. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the year for a 10% change in foreign currency rates. A positive number indicates a decrease in loss for the year where the foreign currencies strengthen against the Canadian dollar. The opposite number will result if the foreign currencies depreciated against the Canadian dollar.

	Year ended December 31, 2014		Year ended December 31, 2013	
	USD	Other	USD	Other
	$	$	$	$
Effect on loss after tax for the year and retained profits	(741)	(8,202)	1,553	23,552

(ii) Credit risk

The Company's cash is held in authorized Canadian financial institutions. The Company does not have any asset-backed commercial paper. Management believes that the credit risk concentration with respect to its financial instruments is minimal.

The Company adopts conservative investment strategies. Usually investments are in liquid securities quoted on recognized stock exchanges. No margin trading is allowed. Loans and financial guarantees to individuals on non-Group entities have to be approved by the board of directors. The board monitors the Company's overall investment position and exposure on a day to day basis.

The credit and investment policies have been followed by the Company since prior years and are considered to have been effective in limiting the Company's exposure to credit risk to a desirable level.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash at banks and GICs carried at floating interest rates with reference to the market and non-interest bearing director's loans. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest bearing borrowings.

The policies to manage interest rate risk have been followed by the Company since prior years and are considered to be effective.

(iv) Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the board of directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The liquidity policies have been followed by the Company since prior years and are considered to have been effective in managing liquidity risk.

(v) Other price risk

Other price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Company is exposed to change in market prices of listed equity in respect of its investments classified as available-for-sale investments (Note 6).

The policies to manage other price risk have been followed by the Company since prior years and are considered to be effective.

(vi) Fair value measurements

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following three levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets;
Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorized in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statements of financial position are grouped into level 1 as at December 31, 2014 and 2013.

(vi) Fair value measurements (continued)

There have been no significant transfers between levels 1 and 2 in the respective reporting periods. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods. The listed equity securities are denominated in Canadian dollars. Fair values have been determined by reference to their quoted bid prices at the reporting dates.

The fair value of the Company's other receivables approximates its carrying values which is the amount receivable on the consolidated statements of financial position date.

The fair value of the Company's amounts due to related companies and payables and accruals may be lower than their carrying values as a result of the Company's going concern.

8. Internal control over financial reporting

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company, together with the Company's management, are responsible for the information disclosed in this MD&A and in the Company's other external disclosure documents. For the year ended December 31, 2014, the CEO and the CFO have designed, or caused to be designed under their supervision, the Company's disclosure controls and procedures ("DCP") to provide reasonable assurance that material information relating to the Company and its consolidated subsidiary has been disclosed in accordance with regulatory requirements and good business practices and that the Company's DCP will enable the Company to meet its ongoing disclosure requirements.

The CEO and CFO have evaluated the effectiveness of the Company's DCP and have concluded that the design and operation of the Company's DCP were effective as of December 31, 2014 and that the Company has the appropriate DCP to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

The CEO and the CFO are also responsible for the design of the internal controls over financial reporting ("ICFR") within the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards ("IFRS"). During the year ended December 31, 2012, the Company engaged an international business advisory firm to assess the effectiveness of the Company's ICFR.

During the design and evaluation of the Company's ICFR, management identified certain non-material deficiencies, a number of which have been addressed or are in the process of being addressed in order to enhance the Company's processes and controls. The Company employs entity level and compensating controls to mitigate any deficiencies that may exist in its process controls. Management intends to continue to further enhance the Company's ICFR. Management concluded that the Company's ICFR were effective as of December 31, 2012, 2011 and 2010.

The Company's management, including its CEO and CFO, believe that any DCP and ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override to the future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

There have been no changes in the Company's ICFR during the year ended December 31, 2014 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

9. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Decommissioning and rehabilitation liabilities

Decommissioning and rehabilitation costs have been estimated based on the Company's interpretation of current regulatory requirements and have been measured at the net present value of expected future cash expenditure upon reclamation and closure. Such costs are capitalized as exploration and evaluation assets. Because the fair value measurement requires the input of subjective assumptions, including reclamation and closure costs, changes in subjective input assumptions can materially affect the fair value estimate. Based on the assessment, the Company did not have any significant decommissioning and rehabilitation liabilities at the reporting dates.

Deferred taxes

The Company recognizes the deferred tax benefit related to deferred tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods from deferred tax assets.

Critical judgments in applying the Company's accounting policies

The following is the critical judgment, apart from those involving estimations that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the year ended December 31, 2014. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded the ultimate appropriateness of the use of accounting principles applicable to a going concern.

Impairment of exploration and evaluation assets

Exploration and evaluation assets are considered for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assessment of impairment indicators involves the application of a number of significant judgment over the internal and external factors. External factors include future commodity prices, investors' sentiment and changes in environmental and mineral tenure regulations. Internal factors include technical data interpretation of the mineral resources estimates and the Company's exploration plans for the properties. As new data comes up and economy and market continually change, the recoverable amounts of the assets and the impairment loss might be different from these judgments and estimates. Management has determined that no impairment indicators existed as at December 31, 2014.

10. Cautionary statement on forward-looking information

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar, and U.S. dollar, fluctuations in the prices of commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company.

Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. Specific reference is made to the Company's most recent Annual Information Form on file with Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.