Adex Mining Inc.
Management`s Discussion and Analysis
September 30, 2011

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Discussion dated November 16, 2011

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Adex Mining Inc.(the "Company" or "Adex") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2011. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2010 and December 31, 2009, as well as the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2011, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at November 16, 2011, unless otherwise indicated.

As of January 1, 2011, Adex adopted International Financial Reporting Standards ("IFRS"). The unaudited interim consolidated financial statements for the three and nine months ended September 30, 2011, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and using accounting policies consistent with IFRS. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Readers of this MD&A should refer to "Adoption of IFRS" below for a discussion of IFRS and its effect on the Corporation's financial presentation.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Adex common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company trades on the TSX Venture Exchange under the symbol "ADE". Further information about the Company and its operations can be obtained from the offices of the Company, the Company website, www.adexmining.com, or from www.sedar.com.

OVERVIEW OF THE BUSINESS AND OVERALL PERFORMANCE

The Company holds 100% of the subsurface mineral rights to approximately 1,600 hectares encompassing the Mount Pleasant mine area of New Brunswick, Canada (the "Property" or "Mount Pleasant"). Within the mineral rights area, the Company owns approximately 405 hectares of land, plus the buildings, machinery, equipment and tailings impoundment facility which comprise the dormant Mount Pleasant mine. Also within the mineral rights area there are two distinct poly-metallic mineral deposits, the Fire Tower Zone ("FTZ") and the North Zone ("NZ"). The principal metals include tungsten and molybdenum in the FTZ and tin, indium and zinc in the NZ.

The fundamental philosophy of the Company is to maximize shareholder value by seeking the highest value for its mineral and metal products. To this extent, the Company is evaluating the capability to create products beyond the traditional mineral concentrates and may progress to sell higher valued products such as ammonium paratungstate, tin metal, indium metal and zinc metal.

The Property was previously owned by Billiton Exploration Canada Limited which started production of tungsten concentrate from the FTZ in 1983, but ceased operations in 1985 when the rapidly decreasing price of tungsten metal made it uneconomical to continue. Approximately one million tonnes of tungsten ore was mined and

processed during this short operation period. The price of tungsten had not recovered by 1988 and as a result the FTZ mine workings were allowed to flood and the facilities placed on care and maintenance. The Company has owned the Property since 1995. During the period from 1995 to 1997 the Company embarked on various development activities, including the preparation of a feasibility study on the NZ. During the period from 1998 to 2006, the Company kept its claims to the Property in good standing, but activities on the property were limited.

The Fire Tower Zone

In December 2008, Company completed and filed an updated NI 43-101 compliant technical report (the "FTZ Technical Report") entitled "A Technical Review of the Mount Pleasant Property, Including an Updated Mineral Resource Estimate on the Fire Tower Zone, Southwestern New Brunswick for Adex Mining Inc." dated December 1, 2008. The FTZ Technical Report was prepared by Paul Dunbar, M.Sc., P.Geo. Senior Associate Geologist of Watts, Griffis and McOuat Limited ("WGM"), Dorota A. El-Rassi, M.Sc., P.Eng., Geological Engineer of SRK Consulting ('SRK") and John S. Rogers, P.Eng., of Aker Metals, a division of Aker Solutions Canada Inc.**,** all under the supervision of Trevor Boyd, P.Geo., the Company's Geological Consultant and a qualified person as defined by NI 43-101, who also supervised the preparation of the technical information contained in this MD&A in compliance with NI 43-101. The FTZ Technical Report (available on www.sedar.com) provides a resource estimate for the Property's tungsten – molybdenum bearing FTZ, the details of which are as follows:

FIRE TOWER ZONE - MINERAL RESOURCE ESTIMATE,
MOUNT PLEASANT MINE PROPERTY

Area	Tonnes	$\%WO_3$ (tungsten)	$\%MoS_2$ (molybdenum)	%As (arsenic)	%Bi (bismuth)
Indicated					
Fire Tower West	9,148,900	0.32	0.21	0.29	0.04
Fire Tower North	4,340,100	0.35	0.20	1.15	0.09
Total Indicated	13,489,000	0.33	0.21	0.57	0.06
Inferred					
Fire Tower West	831,000	0.26	0.20	0.21	0.04
Fire Tower North	10,700	0.26	0.17	0.26	0.05
Total Inferred	841,700	0.26	0.20	0.21	0.04

The FTZ resource estimate was based on a cut-off grade of $0.3\%WO_3$ equivalent, equal to $\%WO_3 + 1.5 \times \% MoS_2$. The 0.3% WO_3 equivalent cut-off grade was based on a value of the mineralized material of US$30/tonne at a tungsten price of US$100/MTU (US$10.0/kg WO_3), a mine life of ten or more years, and the previous ten-year price relationship between W and Mo. In consultation with SRK Consulting and WGM and based upon these metal prices, the Company has agreed that $0.3\%WO_3$ equivalent is the minimum acceptable cut-off grade for the FTZ.

The Company engaged Aker Solutions Canada Inc., part of Aker Solutions ASA, to conduct a scoping study on the FTZ. An important initial step in assessing the economic potential of the FTZ's tungsten-molybdenum mineralization, the scoping study was commenced on June 30, 2008 and completed in December 2008.

The scoping study generated capital and operating cost estimates for the FTZ. In support of these cost estimates, the study included a mining equipment list and capital cost estimate, proposed tailings management systems and projected additional site infrastructure needs, as well as a number of other deliverables. The FTZ scoping study reached its conclusions on the basis of the "indicated" resource estimates for the FTZ.

The results of the FTZ scoping study indicate an unlevered pre-tax internal rate of return of 27.1% and a pre-tax net present value of $164 million. The FTZ scoping study also indicates that the tungsten-molybdenum FTZ can be brought into production at a capital cost of $130 million, and that the FTZ is capable of generating $1.160 billion in revenue over a 13 year life of mine. A summary of the results of the FTZ scoping study is attached as an appendix to the FTZ Technical Report.

The results of the FTZ scoping study may be impacted by declines in metal prices subsequent to the completion of the study. In addition, mineral resources that are not mineral reserves do not have demonstrated economic viability.

North Zone

In May 2009, the Company completed and filed a NI 43-101-compliant technical report (the "NZ Technical Report") entitled "A Technical Review of the Mount Pleasant Property, Including an Updated Mineral Resource Estimate (the "Mineral Resource Estimate") on the NZ, Southwestern New Brunswick for Adex Mining Inc." dated May 6, 2009. The NZ Technical Report was prepared by Paul Dunbar, P.Geo. Senior Associate Geologist of Watts, Griffis, McOuat ("WGM") and Robert de l'Etoile, Eng. Senior Geological Engineer of SGS-Geostat Limited, all under the supervision of Trevor Boyd, P.Geo., the Company's Geological Consultant, and a qualified person as defined by NI 43-101. The NZ Technical Report (available on www.sedar.com) provides a resource estimate for the Property's tin – indium – zinc bearing NZ, details of which are as follows:

NORTH ZONE - MINERAL RESOURCE ESTIMATE, MOUNT PLEASANT MINE PROPERTY

Sub-Zones	Tonnes	%Sn	g/t In	g/t In Capped	% Zn	%As	%WO_3	%MoS_2	%Cu	%Bi
Indicated										
Deep Tin	5,006,000	0.39	101.0	95.2	0.86	1.25	0.08	0.06	0.14	0.08
Endogranitic	4,336,000	0.55	21.8	20.3	0.28	0.85	0.12	0.06	0.10	0.09
Upper Deep Tin	838,000	0.22	102.8	94.9	1.36	0.76	0.08	0.06	0.07	0.05
#4 Tin Lode	702,000	0.25	74.1	74.1	1.00	0.19	0.01	0.01	0.09	0.00
Total indicated	10,882,000	0.43	67.8	64.0	0.67	0.98	0.09	0.06	0.11	0.08
Inferred										
#1-3 Tin Lode	2,345,000	0.18	76.8	73.5	1.08	0.28	0.02	0.03	0.09	0.01
#5 Tin Lode	1,267,000	0.15	115.4	111.3	1.5	0.70	0.07	0.04	0.08	0.03
North Adit	3,076,000	0.27	62.1	62.1	0.83	1.16	0.09	0.06	0.09	0.07
North W-Mo	915,000	0.26	54.3	49.8	0.58	1.14	0.25	0.12	0.12	0.10
Total Inferred	7,603,000	0.22	74.6	72.3	0.99	0.80	0.08	0.05	0.09	0.05

The Mineral Resource estimate above was based on an Sn equivalent ("SNEQ%") cut-off of 0.25%. The SNEQ% value is a combination of Sn and In as follows: SNEQ% = %Sn + 41.67 %In.

The 0.25% SNEQ% cut-off grade was provided by Adex based on a value of the mineralized material of US$30/tonne derived from the previous six-year price trend and price relationship between tin and indium using an estimated tin price of US$12.0/kg. Zinc was not incorporated into the estimation of the cut-off grade. In consultation with WGM and SGS Geostat Limited, and based upon these metal prices, Adex has determined that 0.25% SNEQ% is an acceptable cut-off grade to report the resources.

On January 25, 2010, the Company reported the results of a Preliminary Economic Assessment (the "PA"). The PA identified zones contained within the above mentioned Mineral Resource Estimate that were used to establish the first 10 years of mine life. The resources outlined are as follows:

	Tonnes	%Sn	g/t In	% Zn	%Cu
Indicated	1,894,000	0.76	212	1.93	0.24
Inferred	1,000,000	0.74	154	1.82	0.22
Total	2,894,000				

The PA indicates that there are two potentially viable production options for the NZ, including the production of tin concentrate, indium sponge and zinc metal, and the production of tin concentrate or zinc-indium concentrate. Based on a 10-year projected life on the resources identified above in the NZ and a production rate of 850 tonnes per day (“tpd”), the PA shows pre-tax internal rates of return (“IRR”) for the tin concentrate, indium sponge and zinc metal production (“Option B”) and the tin concentrate and zinc-indium concentrate production option of 28.87% and 23.49% (“Option A”), respectively. The PA also indicates an after-tax NPV and IRR for the Option B of $47.2 million and 22.55%, respectively, and an after-tax NPV and IRR for Option A of $18.1 million and 18.0%, respectively as highlighted in the following table.

North Zone Processing Options – Preliminary Assessment – January 10, 2010

Processing option	Option B Production of tin concentrate, indium sponge and zinc metal	Option A Production of tin concentrate and zinc-indium concentrate
Estimated mine life	10 years	10 years
Production rate	850 tpd	850 tpd
Pre-production capital	$71.1 million	$41.1 million
Internal rate of return	28.87%	23.49%
Net present value	$79.9 million	$32.7 million
After-tax internal rate of return	22.5%	18.0%
After-tax net present value	$47.2 million	$18.1 million

During the fourth quarter of 2009 the Company successfully bench scale tested a hydrometallurgical process for the production of high purity zinc metal and indium sponge. The bench scale process development work completed in 2009 indicated that this unique hydromet process technology is capable of producing indium in excess of 88% purity.

During 2010 and early 2011 the Company completed a pilot program to advance the development of its hydromet process. This work resulted in the production of indium sponge metal grading 96.25% indium and zinc metal grading 98.89% zinc. Feed for this successful mini-pilot run originated from zinc/indium concentrate from previous testwork on the NZ.

The hydromet process, developed for Adex by Thibault & Associates Inc. of Fredericton involves leaching a base metal sulphide concentrate containing approximately 4,500 ppm indium and recovering the indium and zinc through a series of solvent extraction and solution purification processes. Adex is considering patent applications with respect to certain aspects of this hydromet process technology. Potential indium production at Mount Pleasant is about 40 tonnes per year (“tpy”) based on daily processing rate of 850 tonnes. Under the Option B production model there is also potential to produce about 4,000 tonnes of zinc metal and 3,200 tonnes of tin concentrate per year from the NZ.

Adex engaged SGS Lakefield to perform bench scale, locked cycle testing and pilot plant testing to produce tin concentrate and zinc-indium concentrates. The zinc-indium concentrate could potentially feed the hydromet process. The test program has completed extensive bench testing and a pilot plant run of approximately 60 tonnes of mineralized NZ material over a 120 hour period, and the results were reported by the Company on March 7, 2011. A zinc/indium concentrate grading 48.2% zinc and assaying 5,310 parts per million (“PPM”) indium with 95.6% zinc and 91.7% indium recovery was produced in locked cycle test work (“LCT”) completed in February and March, 2011. Final work in the tin concentrate process is pending.

In late 2010, the Company completed a diamond drill program with the aim of upgrading the NZ NI 43-101 compliant “inferred” resources to “indicated” category. The drill program was also aimed at expanding high grade portions of the sub-zones identified above the 250 meter depth level. The program also obtained roof pillar geotechnical information in support of the planned definitive feasibility study for commercial development of the North Zone. In total, 3,734 metres of drilling was completed in 26 holes. An updated NI 43-101 resource estimate is pending.

Despite the definition drilling purpose of the program, exciting new exploration results were generated. Hole AM-10-10, drilled in an underexplored part of the North Zone, intersected four metres of 4.67% tin ("Sn"), 14.5% zinc ("Zn"), 980 g/t indium ("In") and 0.56% copper ("Cu") beneath a historical hole which in the 1970s had intersected 41 metres of 4.08% Zn and 0.10% Sn. No indium analyses had been completed on core from the historical hole. The intersection suggests the discovery of a new-high grade sub-zone open both laterally and at depth.

In early 2011, The Company engaged Xstrata Process Support ("XPS") of Sudbury, Ontario to test the pyrometallurgical options for the extraction of tin metal from tin concentrate planned to be produced from the NZ. Due to recent advances in small scale pyrometallurgical (smelting) technologies and following discussions with XPS, Adex believes that the potential production of tin metal, as a final saleable product, could have a significant positive impact on the economics of a mining operation at the NZ. Final test results are pending.

During the first quarter of 2010, the Company completed a Tailings Leachability and Wastewater Treatability Study involving a concept for the treatment of future tailings and wastewater from both metallurgical and hydrometallurgical operations as defined by the PA. The study defines a water and tailings management concept for the NZ based on sub-aerial disposal of tailings, multi-stage wastewater treatment and reclaim of water from the tailings polishing pond. Results of the test program indicate that the overall management concept is technically viable.

The PA and the economic analyses contained therein are preliminary in nature and contain some "Inferred" mineral resources that are considered too speculative geologically to support the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PA will be realized with more detailed work. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Financing Transaction

On October 19, 2010 the Company completed a private placement (the "Private Placement") transaction with Great Harvest Canadian Investment Company Limited ("Great Harvest") of 40,000,000 units (the "Units") at a price of $0.12 per unit, with each Unit consisting of one common share of Adex and one common share purchase warrant (a "Series A Warrant"), raising gross proceeds of $4.8 million. Each Series A Warrant entitles the holder thereof to acquire one common share at a price of $0.18 at any time prior to the earlier of (i) October 19, 2011, and (ii) the 30th day following the delivery of a DFS on either or both of the North Zone or the Fire Tower Zone of the Property.

Other transactions contemplated in the Private Placement agreement with Great Harvest include requiring Great Harvest, subject to (i) the results of the DFS being satisfactory to Great Harvest and (ii) the then capital requirements of the Company as determined at the relevant time by the board of directors of the Company, to provide or arrange for the provision to the Company of loan facilities (the "Facilities") in an aggregate amount of up to $50,000,000 to be used for the commercial development of the Property, on such terms and conditions as may be agreed upon between the Company and the relevant financier(s). If an aggregate minimum of $10 million of the Facilities are made available to be drawn down by the Company within 180 days of the delivery to Great Harvest of the report of the results of the Feasibility Study, Great Harvest will have the right (the "Share Purchase Right") to purchase, within 40 days of the Facilities being available to be drawn down by the Company, 1.2 common shares for each dollar of the facilities made available to be drawn down by the Company within one year of the completion of the Feasibility Study. The exercise price per common share pursuant to the Share Purchase Right will be equal to the volume weighted average trading price of the common shares on the TSX Venture Exchange (the "TSXV") for the five trading days ending the day immediately prior to the Facilities being available to be drawn down by the Company less the maximum discount therefrom permitted by the TSXV. The maximum number of common shares issuable pursuant to the Share Purchase Right is 60,000,000. The issuance of common shares pursuant to the exercise of the Share Purchase Right will be subject to further approval of the TSXV to be obtained following the Share Purchase Right becoming exercisable.

In connection with the above Private Placement, the agent to the transaction, was (i) paid a cash finder's fee of seven percent of the gross proceeds, (ii) issued by the Company as an additional finder's fee 2,800,000 Series A Warrants (seven percent of the Series A Warrants comprising part of the Private Placement), and (iii) issued by the Company as an additional finder's fee 2,800,000 common share purchase warrants ("Series B Warrants")

(seven percent of the number of Series A Warrants comprising part of the Private Placement). Each Series B Warrant entitles the holder to acquire one common share at an exercise price of $0.20 per common share until October 19, 2011, provided that (i) the Series B Warrants will only become exercisable when Series A Warrants are actually exercised, and (ii) the Series B Warrants will only be exercisable at any time to the extent of the number of Series B Warrants as is equal to 7% of the number of Series A Warrants comprising part of the Units which have been exercised at such time. In addition, the agent is entitled (i) to be paid by the Company a retainer of $144,000 payable in 12 equal monthly installments of $12,000, the first of which was paid on the closing of the Private Placement, (ii) to be paid an additional cash finder's fee equal to 7% of the gross proceeds realized by the Company on the exercise, if any, of the Series A Warrants comprising part of the Units issued pursuant to the Private Placement (a maximum of $504,000), and (iii) to be paid by the Company an additional cash finder's fee equal to 1.5% of the principal amount of each loan made available by Great Harvest or a third party financier arranged for by Great Harvest to be drawn down by the Company, to a maximum of $750,000.

Assuming the completion of all of the transactions contemplated by the Agreement, the total capital provided to Adex as a result of such transactions is expected to be in excess of $65 million (dependent on the trading price of the Common Shares at the time of the exercise of the Share Purchase Right). With this capital, the Company will be well positioned to commercially develop the Property, which includes two potentially economic mineral deposits, FTZ and the NZ.

On May 17, 2011, 40,000,000 Series A Warrants were exercised at an exercise price of $0.18 per common share, providing gross proceeds of $7,200,000.

OUTLOOK

Adex has commenced a flowsheet definition study and a mine dewatering plan as part of a DFS on the company's Mount Pleasant Mine property. Thibault & Associates Inc. of Fredericton, New Brunswick has been engaged to conduct the studies. The Mount Pleasant DFS will help Adex prepare for a potential production decision by the end of 2012 and full production in 2014.

RESULTS OF OPERATIONS

The Company's net loss for the three month period ended September 30, 2011 was $588,175 or $0.00 per share (loss of $292,078 or $0.00 per share for the three month period ended September 30, 2010). The principal components of net loss during the three month period ended September 30, 2011 were administrative and general expenses of $416,201 ($208,084 for the three month period ended September 30, 2010), mineral property expenses of $115,883 ($51,880 for the three month period ended September 30, 2010) and stock based compensation of $78,599 ($33,876 for the three month period ended September 30, 2010).

The Company's net loss for the nine month period ended September 30, 2011 was $2,118,424 or $0.01 per share (loss of $1,077,668 or $0.01 per share for the nine month period ended September 30, 2010). The principal components of net loss during the nine month period ended September 30, 2011 were administrative and general expenses of $1,680,290 ($718,205 for the nine month period ended September 30, 2010), mineral property expenses of $340,221 ($188,681 for the nine month period ended September 30, 2010) and stock based compensation of $128,544 ($176,835 for the nine month period ended September 30, 2010).

Interest earned on funds on deposit for the three month and nine month periods ended September 30, 2011, respectively, was $22,807 and $31,266 ($2,455 and $8,133 respectively for the three and nine month periods ended September 30, 2010.

ADMINISTRATIVE AND GENERAL EXPENSES

The increase in administrative and general expenses for the three and nine month periods ended September 30, 2011 are a result of changes in the common share ownership and management structure of the Company and re-organization of the Company's senior management. This has necessitated the recognition of retirement allowances and additional professional fees. Board compensation and travel have increased for the same reason.

	Three months ended September 30		Nine months ended September 30	
	2011	2010	**2011**	2010
	$	$	**$**	$
Wages, benefits and consulting	**129,133**	68,460	**312,495**	257,044
Professional fees (legal & audit)	**92,595**	8,153	**238,500**	40,722
Directors fees	**56,735**	25,500	**131,735**	76,067
Travel	**55,313**	2,273	**115,622**	9,747
Business development	**32,500**	24,340	**104,500**	115,639
Shareholder communications & promotion	**17,225**	40,373	**127,637**	115,722
Office rent	**12,951**	12,951	**37,103**	37,980
Office costs	**11,454**	8,526	**38,500**	20,702
Insurance	**7,030**	7,179	**21,629**	22,618
Regulatory and filing fees	**1,265**	10,329	**27,569**	21,964
Retirement allowance	**-**	-	**525,000**	-
	416,201	208,084	**1,680,290**	718,205

MINERAL PROPERTY EXPENDITURES

Deferred expenditures added to the carrying value of mineral properties relates to the metallurgical studies and production process development as described in *Overview of the business and overall performance* above.

There has been no changes to the general nature of mineral property expenses between the three and nine month periods ended September 30, 2011 and the three and nine month periods ended September 30, 2010. Expenses incurred during the three and nine month periods ended September 30, 2011 were primarily related to care and maintenance activities required to ensure environmental compliance, safety and security at the Property. Maintenance and equipment rental expenses increased due to an unusually harsh winter season resulting in extreme wear and tear to on-site roads and infrastructure. There has not been any major change in environmental compliance activity, however the related expense increase reflects the timing of purchases of water quality treatment supplies. Depreciation for the period has increased as compared to the same three and nine month periods in 2010 as a result of additions to mine site maintenance vehicles and the purchase of proprietary hardware and software technology to facilitate exploration and development.

The following table illustrates spending activity related to the capitalized costs and period expenses for the Company's Mt. Pleasant mine site:

	Three months ended September 30		**Nine months ended September 30**	
	2011	2010	**2011**	2010
	$	$	**$**	$
Drilling, exploration and reporting	**899,745**	1,375	**1,027,072**	1,375
Process development	**32,332**	154,184	**523,970**	399,977
Metallurgical studies	**-**	497,500	**53,378**	863,118
Tailings impoundment facility	**-**	11,300	**-**	16,040
NRC-IRAP funding	**-**	(82,114)	**(20,754)**	(125,414)
Additions to mineral properties	**932,077**	582,245	**1,583,666**	1,155,096
Wages and consulting	**38,237**	29,412	**130,841**	91,176
Utilities	**5,338**	4,573	**42,412**	30,287
Maintenance and equipment rental	**42,215**	6,093	**89,749**	31,912
Environmental compliance	**22,033**	16,800	**58,662**	46,309
Depreciation	**16,322**	6,435	**48,965**	19,303
Property taxes	**5,529**	5,594	**16,586**	16,781
Travel, meals & entertainment	**-**	912	**3,271**	2,106
Other	**5,126**	2,210	**6,865**	8,622
Rental income	**(6,000)**	(6,000)	**(18,000)**	(18,000)
Interest income	**(12,917)**	(14,149)	**(39,130)**	(39,815)
Mineral property expenses	**115,883**	51,880	**340,221**	188,681
Total mineral property expenditures	**1,047,960**	634,125	**1,923,887**	1,343,777

The Company has received funding by The National Research Council of Canada – Industrial Research Assistance Program ("NRC-IRAP") related to its zinc-indium hydrometallurgical flowsheet pilot program. The Company has recognized $20,754 in funding for the nine month period ended September 30, 2011 ($82,114 and $125,414 for the three and nine month periods ended September 30,2010. NRC-IRAP provided funding to a maximum of $248,000, all of which has been recognized to September 30, 2011

SUMMARY OF QUARTERLY RESULTS

For previous quarters ending after January 1, 2010, the quarterly results have been restated to reflect accounting policies consistent with IFRS. Quarterly results for quarters ended before January 1, 2010 have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP" or "GAAP") A summary of the eight most recent quarters is as follows:

	September 30 2011	June 30 2011	March 31 2011	December 31 2010
Accounting policies	IFRS	IFRS	IFRS	IFRS
	$	$	$	$
Net loss for the period	(588,175)	(1,118,341)	(411,908)	(638,971)
Net loss per share - Basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)

	September 30 2010	June 30 2010	March 31 2010	December 31 2009
Accounting policies	IFRS	IFRS	IFRS	GAAP
	$	$	$	$
Net loss for the period	(312,290)	(387,470)	(384,799)	(8,244)
Net loss per share - Basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

The Company does not consider the effects of seasonality to be significant. The primary drivers for large variations in quarterly results are:

- The net loss for the three months ended June 30, 2011 was effected by increased expenditures related to administrative management re-organization and business development .
- The net loss for the three months ended December 31, 2010 was effected by increased expenditures related to marketing and business development .
- The net loss for the three months ended December 31, 2009 was effected by a future income tax recovery of $292,378 from the renunciation of Canadian Exploration Expenses incurred by the Company to the holders of the Company's flow through common shares. The accounting treatment under IFRS differs from Canadian GAAP. This difference is discussed in the Company's unaudited interim consolidated financial statements.
- The net loss for the each of the five periods ended March 31, 2010, June 30, 2010, September 30, 2010 March 31, 2011 and September 30, 2011 reflect administrative and marketing activities as well as care and maintenance costs related to the Property.

LIQUIDITY, CAPITAL RESOURCES AND BUSINESS PROSPECTS

As at September 30, 2011, the Company had net working capital of $6,597,258 ($3,597,147 as at December 31, 2010). On May 17, 2011, 40,000,000 Series A Warrants were exercised providing gross proceeds of $7,200,000. The Company currently has sufficient financial resources to complete its current development programs which includes the DFS, as well as the development of a water treatment strategy to facilitate the de-watering of the existing mine works. The Company will require the additional financings to ensure the completion of mine permitting and construction to completed full mine development.

FINANCIAL INSTRUMENTS

The carrying amount of financial instruments approximates fair value unless otherwise noted. The Company's financial assets include the reclamation bond and interest receivable on the reclamation bond. As this bond and interest accrued are on deposit with the province of New Brunswick, the Company does not consider these assets to be subject to significant credit risk.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. As at September 30, 2011, the Company had 177,211,441 common shares issued and outstanding.

On June 22, 2010, the Company granted 200,000 common share stock options with an exercise price of $0.12 per common share to a director of the Company. The options vest quarterly in equal amounts over a twelve month period from the date of the grant and expire on June 22, 2015.

On October 19, 2010 the Company completed the Private Placement transaction with Great Harvest of 40,000,000 units (the "Units") at a price of $0.12 per unit, with each Unit consisting of one common share of Adex and one common share purchase warrant (a "Series A Warrant"), raising gross proceeds of $4.8 million. Each Series A Warrant entitled the holder thereof to acquire one common share at a price of $0.18 at any time prior to the earlier of (i) October 19, 2011, and (ii) the 30th day following the delivery a DFS on the either or both of the NZ the FTZ of the Property.

On December 14, 2010, 554,166 compensation unit options were exercised, providing gross proceeds of $66,500 The compensation unit options exercised resulted in the issuance of 554,166 common shares and 277,083 warrants to purchase a common share at a price of $0.20 per share until December 30, 2011.

On February 25, 2011, 131,249 compensation unit options were exercised, providing gross proceeds of $15,750. The compensation unit options exercised resulted in the issuance of 131,249 common shares and

65,624 warrants, each warrant being exercisable to purchase a common share at a price of $0.20 per share until December 30, 2011.

On May 17, 2011, 40,000,000 Series A warrants were exercised, providing gross proceeds of $7,200,000 and resulting in the 2,800,000 Series B Warrants becoming exercisable to the agent to the Great Harvest financing, all as per the October 19, 2010 financing terms described above.

On August 16, 2011, the Company granted 2,350,000 common share options with an exercise price of $0.15 per common share to the directors of the Company. The options vest quarterly in equal amounts over a twelve month period from the date of the grant and expire on August 15, 2016.

On September 19, 2011, the Company granted 250,000 common share options with an exercise price of $0.13 per common share to a senior officer of the Company. The options vest quarterly in equal amounts over a twelve month period from the date of the grant and expire on September 18, 2016.

On October 18, 2011, the Company granted 250,000 common share options with an exercise price of $0.145 per common share to employees and consultants of the Company. The options vest quarterly in equal amounts over a twelve month period from the date of the grant and expire on October 17, 2016.

As of September 30, 2011, the Company had 177,211,441 common shares issued and outstanding, 2,800,000 Series A Warrants, 2,800,000 Series B Warrants, 4,546,039 common share purchase warrants, 11,460,000 common share stock options issued pursuant to its stock option plan and 131,250 compensation unit options outstanding. Each of the outstanding common share stock options are exercisable to purchase one common share. Each of the outstanding compensation unit options are exercisable to purchase one common share and one half common share purchase warrant.

The number of common shares outstanding on a fully-diluted basis as at September 30, 2011 is 199,014,355

As of November 16, the Company had 177,211,441 common shares issued and outstanding, 2,800,000 Series A Warrants, 2,800,000 Series B Warrants, 4,546,039 common share purchase warrants, 11,710,000 common share stock options issued pursuant to its stock option plan and 131,250 compensation unit options outstanding. Each of the outstanding common share stock options are exercisable to purchase one common share. Each of the outstanding compensation unit options are exercisable to purchase one common share and one half common share purchase warrant.

The number of common shares outstanding on a fully-diluted basis as at November 16, 2011 is 199,264,355

RELATED PARTY TRANSACTIONS

During the three and nine month periods ended September 30, 2011, respectively, the Company incurred related party expenses of $89,959 and $177,659. ($43,500 and $130,500, respectively, during the three and nine month periods ended September 30, 2010). These expenses related to the payment of management fees to the Company's senior officers.

During the three and nine month periods ended September 30, 2011, respectively, the Company incurred directors and committee fees of $56,735 and $131,735. (directors fees of $25,567 and $50,567, respectively, during the three and nine month periods ended September 30, 2010). These amounts were expensed in the period incurred as administrative and general expenses.

During the three and nine month periods ended September 30, 2011, respectively, , the Company incurred and paid technical and consulting fees of $2,704 and $41,854 (nil for the three and nine month periods ended September 30, 2010) to independent directors.

During the nine months ended September 30, 2011, the Company paid a one time performance bonus of $100,000 (nil for the three months ended September 30, 2010) to an independent director.

During the three months ended June 30, 2011, the Company created a retirement allowance accrual of $525,000 (nil for the three and nine months ended September 30, 2010) to be paid out to retiring senior personnel, pending the resolution of the terms of the retirement agreements. During the three month period ended September 30, 2011, the Company paid out $450,000 from this fund to a former member of senior management.

These amounts were expensed in the period incurred as administrative and general expenses. There are no amounts payable to these related parties, excepting the balance of the retirement allowance, at September 30, 2011. The amounts paid and owing are in the normal course of business, are non-interest bearing and due on demand.

Great Harvest, the Company's largest shareholder which controls 49% of the Company's common shares, is controlled by two of the Company's directors, one of whom also acts as the interim president and chief executive officer.

ADOPTION OF IFRS

We prepare our financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS") as issued by the International Account Standards Board, and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, we have commenced reporting on under this basis.

The September 30, 2011 unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") and IFRS 1,First-Time Adoption of IFRS ("IFRS 1"). Subject to certain transition elections disclosed in Note 13, we have consistently applied the same accounting policies in our opening IFRS balance sheet as at January 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 13 discloses the impact of the transition to IFRS on our reported balance sheet, comprehensive income, changes in equity and cash flows, including the nature and effect of significant changes in accounting policies from those used in our financial statements for the year ended December 31, 2010.

Management performed a detailed review of the Company's books and records in order to identify differences between GAAP and IFRS that affect the Company. After completing the review the only adjustment related to the accounting for flow-through share was deemed necessary to convert the Company's financial reporting to IFRS. No changes in the Company's system of internal controls over financial reporting are required in the adoption of IFRS.

FUTURE CHANGES IN ACCOUNTING POLICY

A number of new standards, and amendments to standards and interpretations, are not yet effective for the quarter ended September 30, 2011, and have not been applied in preparing these unaudited interim consolidated financial statements. The following standards and interpretations have been issued by the IASB and the IFRIC Committees with effective dates relating to the annual accounting periods starting on or after the effective dates as follows:

International Accounting Standards		Effective Date
IAS 12 – Income taxes	In December 2010, IAS 12 Income Taxes was amended to introduce an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, 'Income taxes recovery of revalued non-depreciable assets', will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn.	January 1, 2012
IFRS 9 - Financial Instruments	In November 2009, as part of the International Accounting Standards Board's (IASB) project to replace International Accounting Standard (IAS) 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.	January 1, 2013
IFRS 10 - Consolidation	IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.	January 1, 2013
IFRS 11 – Joint Arrangements	IFRS 11 requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions.	January 1, 2013
IFRS 12 - Disclosure of Interests in Other Entities	IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off statement of financial position vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.	January 1, 2013

IFRS 13 – Fair Value	IFRS 13 is a comprehensive standard for fair value measurement and Measurement disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures	January 1, 2013
IAS 27 – Separate Financial Statements	As a result of the issue of the new consolidation suite of standards, IAS 27 Separate Financial Statements has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	January 1, 2013
IAS 28 – Investments in Associates and Joint Ventures	As a consequence of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended and will provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee.	January 1, 2013
IAS 1 – Presentation of Financial Statements	The IASB amended IAS 1 with a new requirement for entities to group items presented in other comprehensive income on the basis of whether they are potentially re-classifiable to profit or loss.	January 1, 2013

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

RISK FACTORS

Given the Company's current status as an exploration stage company, there are numerous risk factors that could affect the Company's business prospects and future performance, including the following. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also affect the Company's business prospects and future performance.

Operating history
The Company has a very limited history of operations and must be considered a start-up. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and an absence of revenues. There is no assurance that the Company will be successful in achieving a return on shareholder investment and the likelihood of success must be considered in light of its early stage of operations. The Company has no intention of paying any dividends in the foreseeable future.

Highly speculative business
The nature of the Company's business is highly speculative due to its proposed involvement in the exploration, development and production of minerals. Exploration for minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that any commercial quantities of ore will be discovered by the Company. The commercial viability of a mineral deposit, if discovered, depends upon a number of factors including the particular attributes of the

deposit (principally size and grade), the proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes base metal prices to fluctuate substantially over short periods of time. Most of these factors are beyond the control of the Company. Mineral exploration and development are highly speculative and few properties that are explored are ultimately placed into commercial production.

Insufficient resources or reserves
Substantial additional expenditures will be required to establish either resources or reserves on the Company's mineral properties and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

Barriers to commercial production
The Company will rely upon consultants and others for construction and operating expertise. The economics of developing mineral properties are affected by many factors including, but not limited to, the cost of operations, grade of ore, fluctuating mineral markets, costs of processing equipment, competition, extensions on licenses and other factors such as government regulations, including regulations relating to title to mineral concessions, royalties, allowable production, importing and exporting of minerals and environmental protection. Many of the above factors are beyond the control of the Company. Depending on the price of minerals produced, the Company may determine that it is impractical to either commence or continue commercial production.

Additional capital
The exploration and development of the Property will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on the Property. The Company will also require additional funding to acquire further property interests. The ability of the Company to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from treasury of the Company, control of the Company may change and security holders may suffer additional dilution.

Commodity price and exchange rate fluctuations
The feasibility of mineral exploration is significantly affected by changes in the market price of the minerals expected to be produced. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of minerals and stability of exchange rates can all cause significant fluctuations in mineral prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

Key officers, consultants and employees
The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration and development personnel involved. Failure to retain key individuals 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 consultants and has no current plans to do so.

Title
No assurances can be given that title defects to the Property do not exist. The Property may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the Property to which the title defect relates.

Title to mineral interests in some jurisdictions is often not susceptible to determination without incurring substantial expense. In accordance with industry practice, the Company conducts such title reviews in connection with its properties as it believes are commensurate with the value of such properties. The actual interest of the Company in certain properties may vary from the Company's records.

Maintaining interests in mineral properties
The Company's continuing right to maintain its ownership in its mineral property interests will be dependent upon compliance with applicable laws and with agreements to which it is a party. There is no assurance that the Company will be able to obtain and/or maintain all required permits and licences to carry on its operations. Additional expenditures will be required by the Company to maintain its interests in its properties. There can be no assurance that the Company will have the funds, will be able to raise the funds or will be able to comply with the provisions of the agreements relating to its properties which would entitle it to an interest therein and if it fails to do so its interest in certain of these properties may be reduced or be lost.

External market factors
The marketability and price of minerals which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. The Company will be affected by changing production costs, the supply or/and demand for minerals, the rate of inflation, the inventory levels of minerals held by competing companies, the political environment and changes in international investment patterns.

Governmental and regulatory requirements
Government approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent that such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, which may include requirements for the Company to take corrective measures requiring capital expenditures, installation of additional equipment, or other remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in the development of properties.

Environmental regulations
All phases of the Company's operations are subject to environmental regulation. Environmental legislation is becoming more strict, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that environmental regulation will not adversely affect the Company's operations. Environmental hazards may exist on a property in which the Company holds an interest which are unknown to the Company at present which have been caused by previous or existing owners or operators of the property. The Company has in place a program of regular environmental monitoring to ensure compliance with existing environmental regulations.

Environmental legislation provides 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 the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means standards, and enforcement, fines and penalties for non-compliance are more stringent.

Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company intends to fully comply with all environmental regulations in all of the countries in which it is active.

Conflicts of interest
Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), directors who have a material interest in any person who is a party to a material contract or a

proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. The directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.

Uninsured risks
The Company currently has liability insurance in an amount which management considers adequate. However, in the future, the costs of such insurance may become prohibitive. The nature of the risks for mining companies is such that liabilities might exceed policy limits, certain liabilities and hazards might not be insurable, or the Company might, in the future, elect not to insure itself against such liabilities due to high premium costs or other reasons. Should such liabilities occur, the Company would incur significant costs that would have a material adverse effect upon its financial condition.

Competition in acquiring additional properties
Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Dividend policy
No dividends on the common shares of the Company have been paid by the Company to date. The Company intends to retain its earnings, if any, to finance the growth and development of its business and has no present intention of paying dividends or making any other distributions in the foreseeable future.

COMMITMENTS, CONTINGENCIES AND GUARANTEES

In the normal course of operations, the Company executes agreements that provide for indemnification and guarantees to third parties in transactions such as equity and debt issuances. The nature of substantially all of the indemnification undertakings prevents management from making a reasonable estimate of the maximum potential amount the Company could be required to pay third parties as the agreements do not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time.

As the owner of the land which the Property is located, which includes a dormant mine, the Company is obliged to comply with an environmental reclamation plan which is in effect for the Property. This obligation is secured by a collateral mortgage to the Province of New Brunswick for $2 million on 22 hectares of land on which the primary buildings on the Property are located.

Reclamation bonds consist of Province of New Brunswick 8.5% bonds maturing June 28, 2013. The bonds are pledged to the Province of New Brunswick as security under environmental regulations to ensure adequate funding is available in perpetuity to treat the acid water run-off from the abandoned Mount Pleasant mine shafts. The bonds are held for the benefit of the Company, and interest is accrued bi-annually, as long as the Company continues to treat the acid water run-off appropriately. Accrued interest on deposit is disbursed at the discretion of the Ministry of Finance of the Province of New Brunswick.

The Company has a contractual lease obligation related to its corporate premises that requires a minimum total lease payment of $51,805 until September 2012. The Company has the right to renew the lease for an additional three years and must provide written notice six months prior to the expiration of the current lease term if it intends to renew the lease agreement.

The following table demonstrates the full year commitments.

	$
2011	12,951
2012	38,854
	51,805

The Company has a contractual lease obligation related to equipment at the Mount Pleasant property that requires a minimum total lease payment of $23,720 until September 2012.

The following is a schedule of future minimum lease payments under the capital lease expiring August 31, 2012 together with the balance of the obligation under capital lease.

	$
2011	6,697
2012	17,859
Total minimum lease payments	24,556
Amount representing interest at 7%	(836)
Balance of the obligation	23,720

The Company has technical consulting contract obligations related to economic studies and process development at the Mount Pleasant property that will result in a total budgeted expenditure of $569,462. The Company has incurred expenses related to these contracts, for the three and nine month period ended September 30, 2011, of $32,332 and the remainder of the project spending is expected to conclude during the first quarter of 2012.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and its subsidiary, or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this report, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the current expectations of the management of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from those expressed or implied by those forward-looking statements, including the risk factors summarized above under the heading “Risk Factors”. New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in such forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this MD&A speak only as of the date hereof. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.