Adex Mining Inc.
Management`s Discussion and Analysis
December 31, 2010

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Discussion dated April 18, 2011

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Adex Mining Inc. ("Adex" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2010. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion dated April 18, 2011 should be read in conjunction with the Company`s consolidated financial statements as at and for the year ended December 31, 2010 together with the notes thereto. Results are reported in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles.

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. 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. Billiton Exploration Canada Limited started production of tungsten concentrate from the FTZ in 1983, but ceased operations in 1985 when the decreasing price of tungsten metal made it uneconomical to continue. Approximately one million tonnes of tungsten ore was mined and processed during the operation. The price of tungsten had not recovered by 1988, 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 limited exploration activities were performed. On August 1, 2006, the Company completed a National Instrument 43-101 ("NI 43-101") compliant technical report (available on SEDAR) on the Property that described the historical exploration and development of the Property since the 1950's, provided a resource estimate for the FTZ and proposed a technical evaluation program.

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 and 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. The Company is currently pursuing Option B.

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 developed a process for the production of high purity zinc metal and indium sponge in its bench scale hydrometallurgical process (the "hydromet process") development program. The bench scale process development work completed in 2009 indicated that the unique hydromet process technology 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. Indium sponge metal grading 96.25% indium and zinc metal grading 98.89% zinc were produced from the pilot plant operations in December 2010/January 2011. Feed for the successful pilot run originated from zinc/indium concentrate from previous testwork on the North Zone ("NZ") from Adex's wholly-owned Mount Pleasant Mine Property ("Mount Pleasant" or the "Property") located in south-western New Brunswick, Canada.

The hydromet process, developed by Thibault & Associates Inc. of Fredericton, an Adex consultant, involves leaching 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. Indium production potential at Mount Pleasant is about 40 tonnes per year ("tpy") based on processing 850 tpd of mill feed. Adex is considering two commercial production scenarios for Mount Pleasant. 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 performance, locked cycle testing and pilot plant operations to produce tin concentrate and zinc-indium concentrates. The zin-indium concentrate will feed the hydromet process. The test program has completed extensive bench testing and a pilot plant run of approximately 60 tonnes of NZ resource material over an 120 hour period, the reporting of results is pending. Final confirmation test work is in process with the sulphine circuit complete. 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 expected in late April, early May 2011.

In late 2010, the Company completed a diamond drill program. The purpose of the program was primarily to upgrade the North Zone National Instrument 43-101 ("NI 43-101") compliant "inferred" resources to "indicated" category including to test and expand those high grade portions of the sub-zones identified at less than 250 metres depth outlined above. 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 will be complete in May 2011.

Despite the definition drilling purpose of the program, exciting new exploration results have been 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.

Other highlighted results are from Hole AM-10-18 which was drilled to test the southeastern extension of the Deep Tin Zone. Drilling intersected high grade mineralization of six metres grading 1.74% Sn, 7.01% Zn, 520 g/t In and 0.21% Cu. Hole AM-10-20 was drilled 15 metres to the west of a high grade intersection encountered in Hole AM-08-03 (0.27% Sn, 9.08% Zn, 1,920 g/t In and 1.22% Cu over 18 metres announced July, 2008) and returned two intersections of six metres each grading 0.49% Sn, 9.42% Zn, 212 g/t In and 0.46% Cu, and 0.26% Sn, 10.5% Zn, 1,860 g/t In and 0.91% Cu. In addition, Hole AM-10-13 which was drilled to test the southern extension of the North Adit Zone intersected nine metres of 1.62% Sn, 0.43% Zn, 121 g/t In and 0.59% Cu.

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.

Consequently, XPS has been engaged to perform Phase 1 pyrometallurgical test work to determine the options for the extraction of tin metal from tin concentrate. The objectives and key deliverables of this test work include the following: a) thermo-chemical modeling of the tin smelting process and the determination of preliminary operating parameters; b) crucible testing of NZ concentrate for the tin smelting process; and c) conceptual flowsheet development. This test work, which commenced in April 2011 is anticipated to take between 10-15 weeks to complete, is expected to lead to additional work for the production of a final tin metal product as an important option for consideration within a definitive feasibility study ("DFS"), on the NZ.

These programs will lead directly to a DFS, which will initially run concurrently with continuing pilot plant programs. Positive results from the DFS as well as government regulatory approvals and project financing are expected to lead to a production decision before the end of 2011 or early 2012.

During the first quarter of 2010, the Company completed a Tailings Leachability and Wastewater Treatability Study involving a concept for the treatment of 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 and provides measures to control and treat high concentrations of fluoride and heavy metals.

Pending the developments referred to above Adex expects to be positioned to construct an access decline and begin engineering and procurement of processing equipment in 2012. Concentrator production is targeted for 2013.

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 have 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.

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 x % 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 determined that 0.3%WO_3 equivalent is the minimum acceptable cut-off grade to report.

The Company engaged Aker Solutions Canada Inc., part of Aker Solutions ASA, to conduct a scoping study on the FTZ. An important 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.

Given the positive results of the FTZ scoping study, the Company’s next milestone is to commence detailed metallurgical test work on the proposed amonium para tungstate (tungsten), molybdenum concentrate flow sheet and proceed with a definitive feasibility study DFS on the FTZ. The Company is examining plans to commence this program sometime in late 2011, subject to adequate financing.

The Company currently has sufficient financial resources to complete its current development programs and DFS in 2011; however the Company will require the exercise of the Series A Warrants and the provision of the Facilities by Great Harvest (see below), or additional financings, to ensure the completion of mine permitting and construction.

The fundamental philosophy of the Company is to maximize shareholder value by maximizing the future value of its resources. To this extent, the Company is developing the capability to process its metals beyond the traditional ore stage and sell higher valued products such as tin metal, indium metal, zinc metal and ammonium paratungstate.

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 a definitive feasibility study ("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, including the exercise of all of the Series A Warrants issued to Great Harvest, the total capital which will be 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, NZ and the FTZ.

The association of Adex and Great Harvest is expected to have several positive implications for Adex in addition to providing project financing. Firstly, Great Harvest represents a well financed resource development group based in Hong Kong with experience operating in foreign jurisdictions. Additionally, Great Harvest is expected to be able to assist Adex in accessing technologies for the enhanced recovery of metals, especially tin and tungsten. Great Harvest also has a metals and concentrate trading division which could assist with the sale of the metal products from Mount Pleasant. Adex and Great Harvest believe that Mount Pleasant represents a

unique mineral inventory with two distinct deposits (the North Zone and the Fire Tower Zone) in a secure jurisdiction with access to existing infrastructure. The metals proposed for commercial extraction represent key products associated with the information technology industry (tin and indium) and the high tech metals industry (tungsten and molybdenum).

The development strategy for Adex, which is supported by Great Harvest, is the production of metal products as opposed to metal concentrates. Technical work has now been completed which indicates that indium and zinc could be finished to final “marketable” metal products on site. In addition, proposed test work could demonstrate the viability of producing tin metal. This would both greatly assist in the conclusion of off-take agreements and improve commercial returns for shareholders.

If commercial production commences at the North Zone, the second step in Adex’s development strategy is to utilize cash flows from the NZ, its production experience and its enhanced balance sheet to bring the FTZ into commercial production. The production of final “marketable” metal products is also possible from the Fire Tower Zone, with the production of APT (ammonia paratungstate) and molybdenum dioxide or molybdic oxide proposed. Adex plans to commence the DFS on the NZ in the second quarter of 2011. Along with the financial and technical studies which will be part of the DFS, the Company will continue with its ongoing metallurgical test work and resource estimation (to upgrade the classification of the resources) which are anticipated to improve project returns. The DFS is expected to be completed in late 2011. If a positive production decision is made, Great Harvest will assist Adex in identifying mining and mill equipment as well as construction materials which could offer significant reductions to capital costs. Adex management is confident in the soundness of its development plans and looks forward to ultimately bringing a mine into production.

SELECTED ANNUAL INFORMATION

Year ended December 31,	**2010** **$**	2009 $	2008 $
Net loss	**1,714,313**	1,107,474	1,850,519
Basic and diluted loss per share	**(0.01)**	(0.01)	(0.02)
Total assets [1]	**13,368,433**	10,294,859	10,510,179
Total long term liabilities [1]	**17,400**	42,028	-
Dividends	**-**	-	-

[1] As at December 31

RESULTS OF OPERATIONS

The Company’s net loss for the year ended December 31, 2010 was $1,714,313 or $0.01 per share (loss of $1,107,474 or $0.01 per share for the year ended December 31, 2009). The principal components of net loss during the year ended December 31, 2010 were administrative and general expenses of $1,222,266 ($785,677 for the year ended December 31, 2009), mineral property expenses of $270,030 ($381,249 for the year ended December 31, 2009) and stock based compensation of $228,597 ($234,801 for the year ended December 31, 2009). The Company recognized a future income tax recovery of $292,378 for the year ended December 31, 2009 and nil for the current year. This non-cash event was a result of the effect of renunciation of flow through Canadian Exploration Expenses (“CEE”).

Interest earned on funds on deposit for the year ended December 31, 2010 was $9,353 ($4,910 for the year ended December 31, 2009). The variation in interest income for the year ended December 31, 2010 as compared to the same period in 2009 is primarily due to the balance of funds on deposit during the period

ADMINISTRATIVE AND GENERAL EXPENSES

The major changes to administrative and general expenses between the year ended December 31, 2010 and 2009 have been due to increased marketing, business development and administrative activity during the year.

Wages, benefits and consulting has increased as a result of bonuses paid to two directors for the successful completion of the Great Harvest financing agreement and the addition of two new members to the Company’s

board of directors. Business development consists of expenditures for the advancement of strategic relationships, specifically with Great Harvest.

	For the year ended December 31	
	2010	2009
	$	$
Wages, benefits and consulting	**515,200**	346,037
Business development	**156,434**	-
Shareholder communications & promotion	**148,230**	151,909
Directors fees	**109,567**	88,000
Travel	**78,623**	12,750
Professional fees (legal & audit)	**63,044**	62,197
Office rent	**50,932**	50,305
Office costs	**46,625**	31,900
Insurance	**29,797**	30,811
Regulatory and filing fees	**23,814**	11,768
	1,222,266	785,677

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 major changes to the nature of mineral property expenses between the year ended December 31, 2010 and 2009. Expenses incurred during the year ended December 31, 2010 were primarily related to care and maintenance activities required to ensure environmental compliance, safety and security at the Property. Depreciation expense increased and equipment rental expense decreased as a result of a capital lease agreement for mine site equipment.

	For the year ended December 31	
	2010	2009
	$	$
Metallurgical studies and process development	**1,483,007**	133,950
Drilling and exploration	**572,312**	78,985
Tailings impoundment facility	**16,040**	3,860
Technical reports	**-**	696,144
NRC-IRAP funding	**(227,246)**	-
Additions to mineral properties	**1,844,113**	912,939
Wages and consulting	**124,390**	145,543
Environmental compliance	**61,547**	90,816
Maintenance and equipment rental	**54,664**	123,229
Utilities	**39,937**	38,076
Depreciation	**27,447**	12,680
Property taxes	**22,375**	22,443
Other	**19,661**	20,284
Travel, meals & entertainment	**2,598**	7,734
Rental income	**(24,000)**	(24,000)
Interest income	**(58,589)**	(55,556)
Mineral property expenses	**270,030**	381,249
Total mineral property expenditures	**2,114,143**	1,294,188

The Company has received funding by The National Research Council of Canada – Industrial Research Assistance Program ("NRC-IRAP") related to it's zinc-indium hydrometallurgical flowsheet pilot program. NRC-IRAP has provided funding to a maximum of $248,000. The Company has recognized $227,246 in funding to December 31 2010 (nil in 2009).

FOURTH QUARTER

The Company's net loss for the three month period ended December 31, 2010 was $638,971 or $0.00 per share (loss of $8,244 or $0.00 per share for the three month period ended December 31, 2009). The principal variant between the loss for the comparative three month periods was due to a non-cash future income tax recovery of $292,378 related to the renunciation of flow through Canadian Exploration Expenses ("CEE") recognized by the Company for the three month period ended December 31, 2009 and nil for the three month period ended December 31, 2010.

The principal components of net loss during the three month period ended December 31, 2010 were administrative and general expenses of $504,061 ($198,662 for the three month period ended December 31, 2009), mineral property expenses of $81,349 ($95,113 for the three month period ended December 31, 2009) and stock-based compensation of $54,088 ($31,900 for the three month period ended December 31, 2009).

SUMMARY OF QUARTERLY RESULTS

A summary of the eight most recent quarters is as follows:

	December 31 2010 $	September 31 2010 $	June 30 2010 $	March 31 2010 $
Net loss for the period	(638,971)	(312,290)	(387,470)	(375,582)
Net loss per share - Basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)

	December 31 2009 $	September 31 2009 $	June 30 2009 $	March 31 2009 $
Net loss for the period	(8,244)	(330,549)	(413,951)	(354,729)
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 December 31, 2010 was effected by 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 net loss for the each of the seven periods ended, March 31, 2009, June 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010 and September 30, 2010 reflect administrative and marketing activities as well as care and maintenance costs related to the Property.

LIQUIDITY, CAPITAL RESOURCES AND BUSINESS PROSPECTS

As at December 31, 2010, the Company had net working capital of $3,592,147 ($2,601,973 as at December 31, 2009). The Company currently has sufficient financial resources to complete its current development programs and a definitive feasibility study for the North Zone in 2011. The Company will require the exercise of the Series A Warrants and the provision of the Facilities by Great Harvest, or additional financings, to ensure the completion of mine permitting and construction, as well as development programs, a DFS full mine development of the FTZ.

There is no assurance that the Series A Warrants will be exercised or that the Company will be successful in raising additional capital or entering into a joint venture to pursue the project with a third party.

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 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 December 31, 2010, the Company had 137,080,192 common shares issued and outstanding.

On February 4, 2010, the Company granted an aggregate of 1,750,000 common share stock options with an exercise price of $0.15 per common share pursuant to its stock option plan to directors, officers, employees and consultants of the Company. The options vest in equal quarterly installments over the twelve-month period from the date of the grant and expire on February 3, 2015.

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 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 a definitive feasibility study ("DFS") on the either or both of the North Zone or the Fire Tower Zone 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.

As of December 31, 2010, the Company had 47,281,415 common share purchase warrants, 8,860,000 common share stock options issued pursuant to its stock option plan and 262,499 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.

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.

As of April 18, 2011, the Company had 137,211,441 common shares issued and outstanding, 47,347,039 common share purchase warrants, 8,860,000 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 December 31, 2010 and April 18, 2011 is 196,415,355.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2010, the Company incurred related party expenses of $199,000. These expenses related to the payment of management fees to the Company's senior officers.

During the year ended December 31, 2009, the Company incurred related party expenses of $259,500. These expenses related to the payment of management fees to the Company's senior .Included in the related party expenses for 2009 was a one-time retiring bonus in the amount of $75,000 to the President and Chief Executive Officer upon his retirement effective April 22, 2009.

During the year ended December 31, 2010, the Company paid directors fees of $109,567 ($88,000 for the year ended December 31, 2009).The increase in expense reflects the addition of 2 new directors in October 2010.

During the year ended December 31, 2010, the Company paid technical consulting fees of $5,949 (nil for the year ended December 31, 2009) to an independent director.

During the year ended December 31, 2010, for their efforts in securing financing, the Company paid a special bonus of $75,000 each (nil for the year ended December 31, 2009) to a President & CEO and a Director.

These amounts were expensed in the year incurred as administrative and general expenses. There are no amounts payable to these related parties at December 31, 2010. The amounts paid and owing are in the normal course of business and are measured at the exchange amount, are non-interest bearing and due on demand.

ACCOUNTING POLICIES CHANGES

Future changes in accounting policy –business combinations
In January 2009, the CICA issued Section 1582, Business Combinations, replacing Section 1581 of the same name. The new section will apply prospectively to business combinations for which the acquisition date is on or after January 1, 2011. Section 1582, which provides the Canadian equivalent to International Financial Reporting Standard 3, Business Combinations (January 2008), establishes standards for the accounting for a business combination. Section 1582 requires business acquisitions (including non-controlling interests and contingent consideration) to be measured at fair value on the acquisition date, generally requires acquisition-related costs to be expensed, requires gains from bargain purchases to be recorded in net earnings, and expands the definition of a business. As Section 1582 applies only to future business combinations, it has not had a significant effect on the Company's consolidated financial statements.

Future changes in accounting policy – consolidated financial statements and non-controlling interests
In January 2009, the CICA issued Section 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, which together replace the existing Section 1600, Consolidated Financial Statements, and provide the Canadian equivalent to International Accounting Standard 27, Consolidated and Separate Financial Statements (January 2008). The new sections will be applicable to the Company on January 1, 2011. Section 1601 establishes standards for the preparation of consolidated financial statements, and Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The Company has assessed the potential impact of the adoption of these new sections on its consolidated financial statements, and determined that there is no impact as the subsidiary is wholly owned.

Future changes in accounting policies - International financial reporting standards
The CICA has released an exposure draft for the full adoption of International Financial Reporting Standards (IFRS) for all Canadian publicly accountable enterprises on January 1, 2011, representing a final mandate from the CICA. The Company has initiated plans to convert its basis of accounting to IFRS and is in the process of evaluating the impact that this conversion will have on the results of the Company. A project team has been engaged under the direction of an internal project manager. During 2010, the Company focused on the identification of differences in the basis of accounting in areas determined to be material to the Company's operations. With this review complete, the Company is currently focusing on the development of specific accounting policies and implementation plans. This process will continue until the first reporting date of March 31, 2011. Current areas of focus for the Company include accounting for exploration and development costs and intangible assets, impairment of long-lived assets, provisions and contingent liabilities, and accounting for stock-based compensation. Further disclosures as to the nature of financial and operational impacts to the Company will be made as available during the transition process.

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 $90,659 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	51,805
2012	38,854
	90,659

The Company has a contractual lease obligation related to equipment at the Mount Pleasant property that requires a minimum total lease payment of $44,648 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	26,789
2012	17,859
Total minimum lease payments	44,648
Amount representing interest at 7%	(2,619)
Balance of the obligation	42,029

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.