



(An Exploration Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three Months Ended October 31, 2010

Management Discussions & Analysis of Operating Results and Financial Condition for the Three Months Ended October 31, 2010

December 29, 2010

The following discussion and analysis should be read in conjunction with the annual audited financial statements of Yankee Hat Minerals Ltd. (the “Company”) for the year ended July 31, 2010 and the unaudited interim financial statements for the three months ended October 31, 2010. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional information relating to the Company and other regulatory filings can be found on the SEDAR website at www.sedar.com.

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate” or “believe”, used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s “forecast”, “estimate”, “expectation” and similar expressions, as they relate to the Company’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.



OVERVIEW

Yankee Hat’s goal is to combine its expertise in property evaluation and mineral exploration, with its financial acumen and investor support, to exploit undervalued precious and strategic metal properties.

Yankee Hat Minerals Ltd. is incorporated under the laws of British Columbia and its principal business is the acquisition, exploration and development of precious and strategic metals properties. The Company currently has mineral exploration projects in British Columbia and in the Yukon.

The Company is listed on the TSX Venture Exchange under the symbol “KHT”.

Exploration Activities

Additional particulars of all projects can be found in the Company’s public disclosure documents on SEDAR, the electronic data base at www.sedar.com.

	Balance July 31, 2010		Additions	Balance October 31, 2010	
Acquisition costs:					
Fran Property	\$	419,500	\$ -	\$	419,500
Kidlark Property		-	-		-
Lancer Property		659,314	-		659,314
Selwyn Properties		38,800	-		38,800
Union Mine Property		169,165	15,000		184,165
		1,286,779	15,000		1,301,779
Exploration costs:					
Fran Property		3,009,767	7,985		3,017,752
Kidlark Property		249,949	-		249,949
Selwyn Properties		36,541	-		36,541
Union Mine Property		101,229	-		101,229
		3,397,486	7,985		3,405,471
	\$	4,684,265	\$ 22,985	\$	4,707,250

Fran Property, Omineca Mining District, British Columbia

By agreement dated March 21, 2004, the Company acquired by way of an option from Mr. Richard Haslinger of British Columbia (“Haslinger”) an undivided 100% interest in and to three mineral claims contained in a 4,000 hectare portion of the Omineca Mining Division in the central part of British Columbia, also known as the “Fran Property”, subject to a 2% net smelter return royalty (“NSR”) and the payment of an additional \$30,000 per year in future royalty payments beginning March 31, 2009.

As at October 31, 2010 and to date the \$60,000 for future royalty payments due March 31, 2009 and March 31, 2010 have not been paid and are included in accounts payable. Haslinger has verbally agreed that although the advance royalty payments are not yet paid, the claims and option agreement are still in good standing pending the future payment of this amount and as such it has been included in accounts payable.



The Company may reduce the 2% NSR to a 1% NSR by paying \$2,000,000 in cash.

During the year ended July 31, 2007, the Company staked an additional 12 mineral claims targeting areas where the Contact Zones may extend beyond current boundaries.

The Fran Property is designated by the Company as its "Principal Property" under the policies of the Exchange, and the Company has filed a geological report in compliance with National Instrument 43-101.

Yankee Hat Minerals is currently drilling on the Fran property and to date, three holes have been completed, with 5 holes remaining to be completed in January 2011. This current drill program will be combined with previous drilling and ground work by Dr. Jean-Philippe Desrochers and Neil Richardson, consulting geologists, for compilation into a comprehensive 3D model so that continuity on the property can be estimated and drill targets can be identified for further exploration and definition of the deposit. The current drill program is designed to test the extension of the known high-grade gold zones.

The Fran Property is advantageously positioned in Central BC, just 30km away from the Mt. Milligan copper-gold deposit. All weather road access to the Fran Property means cost effective drilling and significant infrastructure in the area increases the availability of trades and equipment.

The Company has been named in claim commenced in the Supreme Court of British Columbia by Manto Resources Ltd. ("Manto") against the Company and various vendors of the Fran property alleging that the Company breached its duties owed to Manto in entering into the option agreement while negotiating a joint venture with Manto. No amount has been specified in the claim and management believes the claim is without merit and intends to defend the action.

Kidlark Property, Yukon Territory

During the year ended July 31, 2009, the Company entered into an asset purchase agreement to purchase a 100% interest in a group of 102 mineral claims located in the Pelly Mountains approximately 90km northeast of Whitehorse, Yukon from a company having a common director and officer for consideration of \$662,000. The Company also entered into a joint venture agreement with a Japanese government corporation ("JOGMEC") whereby JOGMEC acquired a 60% joint venture interest in the properties by agreeing to contribute 60% of future expenditures as payment for their interest. JOGMEC's funding of the JOGMEC Joint Venture had been recorded as a recovery of acquisition and exploration costs.

Pursuant to the terms of this joint venture agreement the Company and its joint venture partner, JOGMEC, were each responsible for their share of the combined expenditures on the Kidlark Property and the Selwyn Properties (the "JOGMEC Joint Venture"). Should one party have failed to meet its share of the combined exploration costs then its joint venture interest would be diluted down on a pro-rata basis until such time as the joint venture interest was diluted to below 10% when that party's interest would be converted into a 1% NSR.



The Company was the operator under the JOGMEC Joint Venture pursuant to which it earned an operating fee on any exploration expenditures. There were no operating fees for the three months ended October 31, 2010 (three months ended October 31, 2009 - \$24,838). As the income from operating the JOGMEC Joint Venture was not related to the Company's primary business of exploring and mining mineral properties the net operator income has been shown under other income and not as revenue and expense on the statement of operations.

On September 30, 2010, the JOGMEC Joint Venture was terminated. Since acquiring its initial joint venture interest, the Company had not contributed its full share of exploration costs related to the JOGMEC Joint Venture. The Company's joint venture interest in each of the Kidlark and Selwyn properties had been diluted down to approximately 25% by the termination date, at which time JOGMEC transferred their 75% ownership of the joint venture to the Company, giving the Company undivided 100% ownership of the properties. In exchange, the Company granted JOGMEC an option to repurchase a 75% joint venture interest in the properties until August 1, 2014 for the sum of \$1 plus two times the amount of any exploration expenditures incurred by the Company after September 30, 2010.

Lancer Property, Yukon Territory

On April 8, 2008, the Company announced that it had entered into a Letter of Intent to acquire up to a 100% interest (subject to a 2% net smelter return royalty) in two contiguous rare earth element properties located in the Watson Lake region of south central Yukon. The Lancer Property is unique because it is one of only a small number of rare earth element projects in North America that are road accessible and have an extensive history of previous exploration. The property is accessible via 90 kilometers of paved and all weather roads from the town of Ross River, and is just 18 kilometers by road from the modern Ketza gold mine mill which is in stand-by condition.

Under the terms of the agreement, in the year ended July 31, 2010, the Company issued 2,222,222 common shares (2009: 2,222,222) for a cumulative total of 6,666,666 shares over three years to earn the 100% interest in the property, subject to a 2% net smelter return royalty.

Selwyn Properties, Yukon Territory

During the year ended July 31, 2008, the Company acquired an initial 40% joint venture interest in a group of 299 mineral claims from a company having a common director and officer. These claims are located in several property groups, including the Molly, Joey, Suki, and Tommy properties, throughout mid-central Yukon Territory.

The Selwyn Properties are subject to the JOGMEC Joint Venture, see Kidlark Property above.

On September 30, 2010 the JOGMEC Joint Venture was terminated giving the Company a 100% interest in the properties, subject to an option given to JOGMEC to repurchase a 75% joint venture interest in the properties until August 1, 2014 for the sum of \$1 plus two times the amount of any exploration expenditures incurred by the Company after September 30, 2010.



Union Property

During the year ended July 31, 2007 the Company acquired an undivided 100% interest in sixteen mineral claims located in the Greenwood Mining Division, Province of British Columbia. Twelve of these claims are subject to a 1.5% NSR, subject to a maximum of \$250,000 in NSR payments from eleven of those claims.

By agreement dated September 11, 2006, the Company acquired an option to earn a 100% interest in an additional 27 mineral claims contiguous to these claims, and fully satisfied this option by paying a total of \$90,000, issuing 175,000 common shares and incurring exploration expenditures of over \$100,000. This agreement is subject to a 1.5% net smelter return royalty, subject to a maximum of \$1,000,000.

On December 6, 2006, the Company staked an additional 900 hectares of high mineral potential land surrounding the existing 1,650 hectares it already controls bring the total land area to 2,550 hectares.

The Union project contains the past-producing Union mine, one of the highest grade gold-silver deposits ever mined in British Columbia. A total of 122,555 tonnes of material was historically mined from the Union mine, returning an average grade of 14.1 g/t Au and 353.4 g/t Ag (Note: these figures are taken from historical information that is believed to be reliable but do not conform with current NI 43-101 standards).

Operating Results

The results of operations reflect the overhead costs incurred for mineral property acquisitions and expenses incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, exploration, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions and exploration continues. As at October 31, 2010 and to date the Company has not yet recorded any revenues from its exploration projects.

Comparative Overall Annual Results

Net sales, net loss, diluted loss per common share, total assets and total long-term liabilities for the most recently completed fiscal years ended July 31, 2010, 2009 and 2008 are as follows:

	July 31, 2010	July 31, 2009	July 31, 2008
	\$	\$	\$
Net sales	Nil	Nil	Nil
Net loss before income tax provision	(888,745)	(1,767,062)	(1,996,381)
Net loss for year	(806,686)	(1,439,169)	(1,996,381)
Basic and diluted loss per share	(0.01)	(0.02)	(0.04)
Total Assets	4,776,789	5,146,870	5,927,908
Total Long-Term Liabilities	Nil	Nil	Nil



Overall business activity in the Company in fiscal 2010 was lower mostly due to the fact that the Company has been in the process of raising cash for future exploration and to reduce its debt. The Company carried out exploration of the Kidlark property in the 2009 summer exploration season and successfully drilled five holes on three showings on the property. While the results of this program were encouraging, due to the high cost of exploring mineral properties in the Yukon, the Company has decided to concentrate on the Fran gold property in British Columbia. General and administrative expenses, excluding non-cash stock based compensation expense, during the year ended July 31, 2010 were far less than during the year ended July 31, 2009 with key reductions in management fees, consulting, and travel.

Summary of Quarterly Results

The following table sets out selected quarterly information for the most recent nine fiscal quarters:

Each Quarter Ended 2011	Q1 - October 31/10	Q2 - January 31/11	Q3 - April 30/11	Q4 - July 31/11
	\$	\$	\$	\$
Other income (loss)	-	n/a	n/a	n/a
Net Loss	(122,129)	n/a	n/a	n/a
Loss per common share (\$)	(0.001)	n/a	n/a	n/a
Each Quarter Ended 2010	Q1 - October 31/09	Q2 - January 31/10	Q3 - April 30/10	Q4 - July 31/10
	\$	\$	\$	\$
Other income (loss)	24,838	20,600	(155,000)	47,402
Net Loss	(67,558)	(83,709)	(260,140)	(395,279)
Loss per common share (\$)	(0.001)	(0.001)	(0.003)	(0.004)
Each Quarter Ended 2009	Q1 - October 31/08	Q2 - January 31/09	Q3 - April 30/09	Q4 - July 31/09
	\$	\$	\$	\$
Other income	51,379	784	36	14,361
Net Loss	(142,639)	(131,209)	(197,855)	(967,466)
Loss per common share (\$)	(0.002)	(0.002)	(0.003)	(0.012)

Quarterly changes in expenditures for the three months ended October 31, 2010 have increased as the Company has become more active on its exploration programs. Quarterly changes during the year ended July 31, 2010, was lower than the activity in the year ended July 31, 2009 owing to the effects of the 2009 economic downturn.



Comparative Results

Net sales, net loss, diluted loss per common share, total assets and total long-term liabilities for the three month periods ended October 31, 2010 and 2009 are as follows:

	October 31, 2010	October 31, 2009
Net sales	Nil	Nil
Net loss for period	\$(122,129)	\$(67,558)
Basic and diluted loss per share	(0.001)	(0.00)
Total Assets	5,045,833	4,788,270
Total Long-Term Liabilities	Nil	Nil

Company activity has increased in the first quarter ended October 31, 2010 as the Company completed two private placements and began planning the continuation of the exploration program on the Fran property. Activity was significantly lower in the quarter ended October 31, 2009 due to the recent economic slowdown.

Revenues

Due to the Company's status as an exploration and development stage resource issuer, the Company does not have revenues to report from its mineral properties at this time. Future revenues may be obtained from mineral exploration projects currently contemplated for development in British Columbia or the Yukon Territory.

The Company had operator fees of \$24,838 for the three months ended October 31, 2009 related to the JOGMEC joint venture (see above) but these are not considered net sales for the discussion below as they were not revenue generated by the exploration and mining of mineral properties and as such have been included under other income.

Management, Professional and Consulting Fees

Management fees, professional fees and consulting fees were as follows:

	For the three months ended October 31, 2010	For the three months ended October 31, 2009
	\$	\$
Consulting Fees	6,553	12,000
Management Fees	66,065	40,167
Professional Fees	576	1,820

Management and consulting fees in combination increased during the three months ended October 31, 2010 as compared to the three months ended October 31, 2009 with the preparation for increased exploration work of the Company. This is in-step with the associated costs of managing the suite of projects that the Company has been developing over the past fiscal periods and the increased activity of fundraising for future exploration on the Company's mineral properties. Professional fees increased slightly from prior periods due to increased audit and legal fees.



Investor Relations

	For the three months ended October 31, 2010	For the three months ended October 31, 2009
	\$	\$
Investor Relations	\$ 9,572	\$ 7,500

The amount expended on investor relations increased as a result of the general economic outlook improving and the Company's planned requirements for mineral property investigation.

Filing & Transfer Agent Fees and Commissions and Finders' Fees

Filing and transfer agent fees relating to the three months ended October 31, 2010 were \$7,586, much higher than the \$763 in same period in 2009 owing to the closing of two private placements during the quarter ended October 31, 2010.

Occupancy Costs and Office and Administration & Miscellaneous

During the three months ended October 31, 2010 occupancy costs and office and administration & miscellaneous costs combined, amounted to \$19,160 which were higher, owing to costs associated moving offices, than the corresponding period in 2009 where they were \$14,833.

Interest Expense

Interest expense was significantly higher during the three months ended October 31, 2010 at \$4,238 than during the three months ended October 31, 2009 where it was \$1,373 owing to the timing of debt being incurred by the Company.

Travel costs of \$5,798 during the three months ended October 31, 2010 were significantly higher than the corresponding period in 2009 (2009 - \$114) owing to travel associated with fund raising and preparation for work on the Fran property.

Financing Activities

In August 2010, the Company closed a private placement consisting of 6,300,000 units at a price of \$0.05 per unit for gross proceeds of \$315,000. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one common share at \$0.20 until August 24, 2011. In connection with this private placement the Company paid \$28,350 and issued 567,000 warrants with an exercise price of \$0.10 until August 24, 2011, to finders.

In September 2010, the Company closed a private placement consisting of 11,052,270 units at a price of \$0.05 per unit for gross proceeds of \$552,613 and 1,896,934 flow-through units at a price of \$0.075 per unit for gross proceeds of \$142,270. Each unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one common share at \$0.20 until September 9, 2011. In connection with this private placement the Company paid fees of \$31,809 and issued 516,024 warrants with an exercise price of \$0.10 until September 9, 2011.

As at October 31, 2010 the Company had 109,249,204 common shares issued and outstanding.

Subsequent to October 31, 2010, the Company closed a private placement consisting of 13,333,333 flow-through units at a price of \$0.075 per unit for gross proceeds of \$1,000,000. Each unit consisted of one common share and one-half of one common share purchase warrant where each whole warrant entitles the holder to purchase one common share at \$0.12 until June 3, 2012. In connection with this private



placement the Company paid an agent \$87,500 and issued 1,139,999 agent warrants, each of which entitles the agent to purchase a unit at an exercise price of \$0.10 per unit until June 3, 2012. Each agent unit is comprised of one share and one-half of a non-transferable share purchase warrant where each whole warrant will entitle the holder to purchase an additional share at a price of \$0.12 until June 3, 2012.

Warrants outstanding and exercisable at October 31, 2010 are as follows:

Number of Full Share Equivalent Warrants	Price Per Share	Expiry Date
6,300,000	\$ 0.20	August 24, 2011
567,000	\$ 0.10	August 24, 2011
12,949,204	\$ 0.20	September 29, 2011
516,024	\$ 0.10	September 29, 2011
20,332,228		

During the three month period ended October 31, 2010, the Company entered into an agreement with an investor relations company whereby the Company agreed to pay a fee of \$3,000 per month and issue 250,000 stock options to acquire an equal number of common shares at \$0.10 per share. These options expire on September 1, 2012 and vest each quarter with the first quarterly vesting being December 1, 2010.

As at October 31, 2010, the following stock options are exercisable into an equal number of common shares:

Number Outstanding	Exercise Price	Expiry Date
500,000	\$0.10	June 1, 2011
330,000	\$0.12	October 13, 2011
700,000	\$0.10	June 1, 2012
750,000	\$0.10	June 21, 2012
250,000 ⁽¹⁾	\$0.10	September 1, 2012
550,000	\$0.15	March 16, 2013
700,000	\$0.10	May 31, 2014
3,100,000	\$0.10	June 1, 2015
6,880,000		

(1) Twenty-five percent of these options vest each quarter with the first quarterly vesting being December 1, 2010.



Related Party Transactions

Related party transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related party and the Company.

In addition to those noted elsewhere in these financial statements, the Company had the following transactions with related parties.

During the three months ended October 31, 2010 the Company incurred \$57,500 (2009 - \$40,500) in management fees paid to various officers, directors and private companies controlled by them. The Company also incurred \$7,500 (2009 - \$7,500) in consulting fees by a private company with a director and officer in common. Occupancy costs of \$13,518 (2009 - \$10,071) were paid to various companies with officers and directors in common.

As at October 31, 2010, prepaid expenses included a rent deposit and prepaid rent of \$11,320 paid to a company with a director in common with the Company.

Included in due to related parties is \$149,141 in unsecured, non-interest bearing loans with no specific terms of repayment from officers, directors and companies with directors and officers in common. Amounts due to related parties also include \$286,940 in loans from a company with directors and officers in common which is unsecured, has no specific terms of repayment but bears interest at 6%.

Liquidity & Going Concern

The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

As at October 31, 2010, the Company had cash of \$237,582 and a working capital deficit of \$470,742, which casts substantial doubt on the Company's ability to continue as a going concern. Therefore the Company's future ability to meet its obligations and carry out exploration activities is uncertain and dependent upon its ability to obtain additional financing, sell its assets and or enter into favorable joint venture agreements.

The Company intends to raise additional capital by means of private placements of its securities and or joint venturing of its mineral properties, however there can be no assurance that the Company will be able to engage in such financings in light of factors such as the market demand for its securities, the general state of financial markets, the marketability of its mineral properties and other relevant factors. Also it is expected that future financings of the Company will result in dilution to the existing shareholders.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.



RISKS AND UNCERTAINTIES

The Company's financial statements are impacted by the accounting policies used, and the estimates and assumptions made by management during their preparation. The Company's accounting policies are described in Note 3 to the audited consolidated financial statements as at July 31, 2010. The accounting policies considered to be significant to the Company include the following:

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in the preparation of these financial statements include, but are not limited to, recoverability of receivables, accounting for stock-based compensation, impairment of mining claims and deferred exploration costs, the physical and economic lives of equipment, the determination of the likelihood that future income tax benefits can be realized and valuation allowances applied against future tax assets.

Mineral Properties

The Company capitalizes the cost of acquiring, maintaining its interest, exploring and developing mineral properties until such time as the properties are placed into production, abandoned, sold or considered to be impaired in value. Costs include all expenditures made with respect to maintaining on site administration of exploration projects. Cost of producing properties will be amortized on a unit-of-production basis and costs of abandoned properties are written-off. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in operations. Write downs due to impairment in value are charged to operations.

The Company is in the process of exploring and developing its mineral properties and has not yet determined the amount of reserves available. Management reviews the carrying value of mineral properties on a periodic basis and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values.

Quantitative and Qualitative Risks

The exploration for, and the development of industrial mineral deposits are highly speculative activities and are subject to significant risks. The Company's ability to realize its investments in exploration projects is dependent upon a number of factors, including its ability to continue to raise the financing necessary to complete the exploration and development of those projects and the existence of economically recoverable reserves within its projects. Other significant risks are listed below.



Stage of Development

The Company's properties are in the exploration stage and the Company does not have an operating history. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors such as unusual or unexpected geological formations, and other conditions.

As a result of the Company's lack of operating history, it also faces many of the risks inherent in starting a new business.

Environmental Risks

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are also involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company and may render the Company's properties uneconomic. The Company has liability insurance, however the Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the Company's financial position.

Future Financings

If the Company's exploration programs are successful, additional funds will be required for further exploration and development to place a property into commercial production. The only source of future funds presently available to the Company is through the sale of equity capital or the offering by the Company of an interest in any of its properties to be earned by another party or parties carrying out further exploration or development thereof. There is no assurance that such sources will continue to be available on favourable terms or at all. If available, future equity financings may result in substantial dilution to current shareholders.

Profitability of Operations

The Company is not currently operating profitably and it should be anticipated that it will operate at a loss at least until such time as production is achieved from one of the Company's properties, if production is, in fact, ever achieved. The Company has never earned a profit. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Uncertainty of Title

The Company's properties may be subject to native land claims or government regulations.



International Financial Reporting Standards (“IFRS”)

On February 13, 2008, the CICA Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with by 2011. The Company’s first year end under IFRS will be July 31, 2012. The Company has completed a high-level scoping study and concluded that the following IFRS standards will have the most significant impact:

- IFRS 1 – First-time adoption of IFRS
- IFRS 2 – Share Based Payments
- IFRS 6 – Exploration and evaluation of mineral resources
- IAS 16 – Property, plant and equipment
- ED 9 – Joint arrangements (replacing IAS 31 – Interests in joint ventures)
- IAS 36 – Impairment of Assets

In addition, while IFRS does not prescribe how to account for flow-through shares, common practice may differ from Canadian GAAP and some adjustment to shareholders’ equity may be required on the first-time adoption of IFRS.

The Company has updated its accounting procedures so as to collect information required under IFRS.