ORESTONE MINING CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED APRIL 30, 2011

ORESTONE MINING CORP.

INTRODUCTORY COMMENT

Orestone Mining Corp. is a junior mineral exploration company which was incorporated on April 30, 2007 and listed on the TSX Venture Exchange under the trading symbol "ORS" on March 11, 2008. The Company's exploration strategy has until recently emphasized copper-gold and gold projects in Quesnel Terrane of British Columbia. Quesnel Terrane, which extends from the US border to Northern B.C., hosts numerous mines and many developing bulk tonnage copper-gold prospects such as those on the Mt. Milligan and Kwanika properties in North-central B.C., as well as sediment-hosted gold mineralization on the Spanish Mountain and Frasergold properties in South-central B.C. On June 3, 2010, Orestone acquired all the shares of a private company, Intuitive Exploration Inc. ("Intuitive"), which holds a 51% interest in the approximately 20,000 hectare precious and base metal Todd Property located 35 km North-east of Stewart, B.C. (refer to News Release of November 30, 2009).

This is Management's Discussion and Analysis ("MD&A") for Orestone Mining Corp. ("Orestone" or the "Company") and has been prepared based on information known to management as of July 29, 2011. This MD&A is intended to help the reader understand the condensed consolidated unaudited interim financial statements of Orestone.

The Company adopted International Financial Reporting Standards ("IFRS") in accordance with IFRS1, First-time Adoption of IFRS ("IFRS1") with an adoption date of February 1, 2010 and a transition date of February 1, 2011. This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three months ended April 30, 2011 and supporting notes. These condensed consolidated interim financial statements have been prepared using accounting policies consistent with IFRS and in accordance with International Accounting Standard 34 ("IAS 34") – Interim Financial Reporting. A reconciliation of the previously disclosed comparative periods' financial statements prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") to IFRS is set out in Note 13 to these condensed financial statements.

Throughout this report we refer from time to time to "Orestone", "the Company", "we", "us", "our" or "its". All these terms are used in respect of Orestone Mining Corp. which is the reporting issuer in this document. *We recommend that readers consult the "Cautionary Statement" on the last page of this report.*

OVERALL PERFORMANCE

From June 1, 2009 to July 31, 2010, Orestone completed a 27 hole percussion drilling program and a 5-hole diamond drilling program on its Captain copper-gold property near Mt. Milligan in North-central B.C. The December, 2009 diamond drilling program tested geophysical targets that remained untested by the summer 2009 percussion drilling program. Highlight of the diamond drilling, reported in a news release dated January 27, 2010 included the intersection of highly anomalous gold and copper in the bottom three samples of Hole 09-05 averaging 0.16% Cu and 0.34 g/t Au over 3.1 m of the 137.2 m vertical hole. Subsequent to that news release, the results of another geophysical survey (induced polarization) completed during July 2010 West of diamond drill hole 09-05 offer more encouragement in the area. An approximately two km wide coincident chargeability-resistivity anomaly at the West end of the survey is of particular note. As of the end of the period, the Company is currently considering additional follow-up work to evaluate these emerging targets.

No work was done in the quarter as at April 30, 2011 on the LaForce Property located about 20 km east of the Kemess copper-gold mine in Northern B.C. nor on the Lay Property located about 30 km South-east of LaForce. All three above properties are 100%-owned by Orestone and none have any royalty obligations or property payments encumbering them.

On November 10, 2009 the Company entered into an arm's length agreement with Kootenay Gold Inc. (TSX-V:KTN) for the acquisition of 60% of Kootenay's 100% interest in the Connor Creek gold property in the Nelson Mining Division, Southeastern British Columbia (the "Kootenay Agreement"). As per the terms of the Kootenay Agreement, subsequently on November 9, 2010 the Company issued 150,000 shares to Kootenay Gold Inc. as part of the acquisition cost. In order to fully complete the acquisition of 60% of Kootenay's 100% interest in Connor Creek, the Company must expend an additional $700,000 on the property and issue an additional 450,000 shares in the capital of the Company to Kootenay by November 10, 2013. On November 9, 2010 the Company issued 150,000 shares in connection with the Kootenay Agreement. A diamond drilling program was completed during November 23 to December 19, 2009 to evaluate structurally controlled gold mineralization discovered by a Kootenay drilling program in 2007 within a large anomalous gold in soil anomaly. Results reported February 25, 2010 contained several gold anomalous intersections as high as 7.06 g/t Au over 1.98 m.

On November 26, 2009, the Company entered into a letter agreement (the "Agreement") with Intuitive and 0875639 BC Ltd. ("0875639"). At the time, the Company and Intuitive were arm's length private parties and 0875639 was a wholly owned subsidiary of the Company. Intuitive and 0875639 were private British Columbia companies. The transaction was completed June 3, 2010 by way of share exchange.

The Todd Creek Project is owned by the Todd Creek Joint Venture of which the Company, through its subsidiary Intuitive, holds a 51% undivided interest. The Property is in the Skeena Mining Division, Stewart Gold Camp, in Northwestern British Columbia. The Todd Creek Joint Venture also holds an option to acquire 100% of the adjacent property known as the Funk Property. On October 22, 2010, Orestone on behalf of the Joint Venture issued 50,000 shares in the capital of the Company to Kelly Funk (49% was reimbursed to the Company by the Joint Venture Partners) and the Joint Venture made the required 2010 payment of $75,000. During the quarter, the Company and its joint venture partners completed an airborne geophysical survey totaling almost 2,200 line kilometres, reporting and interpretation of the survey results are pending.

Flow-through funds of $893,000 raised during June to August, 2008 provided sufficient funds to carry out all the exploration work on the Company's Quesnel Terrane properties and helped to conserve the non flow-through funds required to meet its working capital requirements, including administrative and corporate costs through the 2010 fiscal year. A financing completed on December 18, 2009 raised gross proceeds of $666,800 to assist in the completion of the acquisition of shares of Intuitive, general administrative costs and initiating exploration on the Todd Property.

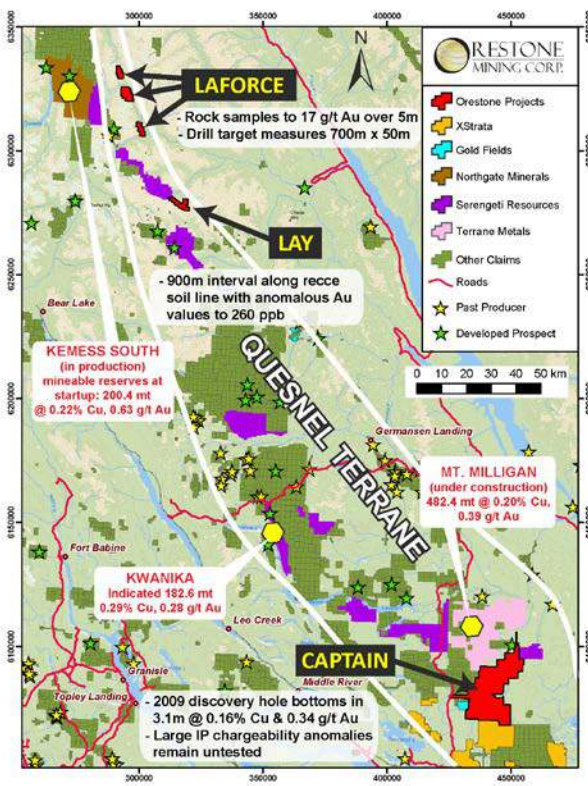
The Company contracted with MineGate Resources Capital Group to revamp and improve the company website on which the Company's mineral property information, news releases, financial and corporate data and environmental policy has been posted. The website, at www.orestone.ca, commenced operation in mid June 2008. As of September 9, 2010, the updated website became available; it will be kept current so as to provide a good conduit through which investors, potential investors, and other interested parties can quickly access information on the Company's activities.

RESULTS OF OPERATIONS - MINERAL PROPERTIES

To best understand Orestone's financial results, it is important to gain an appreciation for the significant events, transactions and activities which occurred on its mineral properties during and subsequent to the reporting period. These are summarized below.

Captain Property

Orestone owns 100% of the Captain Property and has acquired and staked additional surrounding lands referred to as the Quesnel Terrane South Project ("QTSP"). The Captain Property and QTSP, within the Cariboo and Omineca Mining Divisions, cover 40,727 hectares of prospective Quesnel Terrane. The property is centered about 65 kilometers North-east of Fort St. James in the Nechako Plateau area of North-central British Columbia.



The Captain Property and surrounding lands contain many airborne magnetic-high anomalies on ground previously worked by Placer Dome, Noranda and several junior resource companies during 1989 to 1996. Numerous airborne magnetic-high targets in Quesnel Terrane are known to be related to underlying intrusions important for their relationship with copper-gold porphyry deposits such as Terrane Metals' Mt Milligan deposit immediately North of the Captain Property. Induced polarization ("IP") surveys over the airborne magnetic highs are a key method of identifying drill targets in the largely overburden covered Captain Property.

During the months of July and August 2008, the Company completed an exploration program including geochemical sampling, induced polarization and ground magnetic surveys on the Captain Property. The cost of this work totaled about $150,000. The positive results from it, along with ongoing compilation of all historical data, identified eleven separate target areas for copper-gold porphyry and other styles of mineralization in several widespread parts of the property.

The Company initiated a $175,000 percussion drilling program in late June 2009 to begin evaluation of the targets. The program was completed August 5, 2009 and evaluated seven of the eleven targets with assay results of drill chip samples as reported in a news release dated September 25, 2009. Minor copper and gold values were obtained from the percussion drilling samples. Pyritic mineralized rock encountered in many of the holes, with minor chalcopyrite in some holes, explains the I.P. chargeability anomalies.

The Company completed a 5-hole, 677 m diamond drilling program during December 6 to 31, 2009 to evaluate three of the above eleven target areas which remained either untested or only partially tested. Within the third target area, in the Southern part of the property, Hole 09-05 intersected moderate to intensely potassic /sericite altered volcanoclastic sediments and an intrusive dyke with fine disseminated pyrite- chalcopyrite beneath the overburden from 45.75 metres to 137.2 metre. The hole was anomalous in copper and gold; from 45.75-109.1 metres and from 109-134.13 metres averaged 0.06% copper/0.125 g/t gold and the last 3.1 metres from 134.13 metres to 137.2 metres averaged 0.16% copper /0.340 g/t gold including 1.0 metre from 136.2-137.2 grading 0.21% copper and 0.345 g/t gold.

Anomalous chargeability responses on two widely spaced IP lines and anomalous copper-gold values in a nearby percussion drill hole indicate that the potential copper-gold mineralization in the area surrounding Hole 09-05 and to the west could be extensive. The target area is completely completely overburden covered.

In addition to re-logging and splitting Hole 09-05 in its entirety, the Company decided to carry out a program of detailed grid IP surveying to fully define the extent of the chargeability anomaly that has been linked to the drill-indicated copper and gold-bearing sulphide mineralization.

During, 2010 approximately 4 km of road IP was completed along the Mcleod-Tsilcoh FSR, West of hole 09-05 target area for a cost of approximately $8,000. The results of the I.P. survey are highly encouraging. An approximate two kilometre wide coincident chargeability-resistivity anomaly on the West end of the survey associated with magnetics Features is of particular note. The Company is permitted for diamond drilling 24 holes throughout the I.P. survey area. The Company is currently considering a follow-up exploration program that is likely to include additional drilling and geophysics.

Todd Property

As mentioned above, the Company completed the acquisition of Intuitive Exploration Inc. on June 3, 2010. The major asset of Intuitive is its 51% interest in the Todd Creek Joint Venture ("the Todd Creek Joint Venture") which was obtained pursuant to the Todd Creek option agreement, signed April 3, 2008 among Intuitive, Goldeye Exploration Limited ("Goldeye"), Polar Star Mining Corporation ("Polar"), and Geofine Exploration Consultants Ltd ("Geofine").

On April 28, 2010, Intuitive signed the Todd Creek Joint Venture Agreement with Goldeye and Polar and became the Manager of the Joint Venture.

Under the Todd Creek option agreement, Intuitive earned its 51% interest in the Todd Property by making payments on the property aggregating $180,000, issuing 170,000 shares and by incurring expenses related to the Todd Creek Property aggregating $2,500,000. Geofine has a net smelter return royalty in the amount of 2.5% .The Todd Creek Joint Venture pays a $25,000 advance on the above royalty to Geofine every November. On November 17, 2010, the Todd Creek Joint Venture paid $25,000 to Geofine for the 2010 advance royalty.

Pursuant to an option agreement dated August 19, 2008 between Intuitive and Mr. Kelly Funk, the Todd Creek Joint Venture also holds an option to acquire 100% of the Kelly Funk Property, which is adjacent to and East of the Todd Property. The Kelly Funk Property was acquired because favourable geology on the Todd Property is believed to extend onto the Kelly Funk Property and the additional land will allow Intuitive to efficiently explore targets that may exist near the common boundary. Neither Intuitive nor the previous owner has yet done material exploration work on the property. Under the Kelly Funk option agreement, the Todd Creek Joint Venture can earn 100% of the Kelly Funk Property by making payments of $450,000 and issuing 350,000 shares. Intuitive had paid $65,000 and issued 65,000 common shares. On October 22, 2010, Orestone on behalf of the Joint Venture issued 50,000 shares in the capital of the Company to Kelly Funk (49% was reimbursed to the Company by the Joint Venture Partners) and the Joint Venture made the required 2010 payment of $75,000.

If Intuitive acquires the Kelly Funk Property, Intuitive has agreed to pay a net smelter return royalty of 2.0%. The royalty may be purchased at any time during the four year period following the grant of the royalty in 0.5% increments at $750,000 per increment.

The Todd Property is located in the Skeena Mining Division of North-west British Columbia, approximately 35 km North-east of the town of Stewart. The property occurs within the Jurassic Hazelton Group volcano-sedimentary rock package. This geological environment hosts several large and significant mineral deposits including the Granduc Mine (historic resource and production of: 39MM Tonnes at 1.73% Cu with minor silver, gold, and zinc), Eskay Creek Mine (historic production of: 2.2MM Tonnes at 46 g/T Au and 2200 g/T Ag), and the Kerr-Sulphurets-Mitchell deposit (indicated and inferred resources of: 1,750 MM Tonnes at 0.60 g/T Au, 0.21% Cu). Intuitive believes that the Todd Property has the potential to host significant mineral deposits of a type consistent with the other known deposits in the district. These include Besshi and Kuroko type massive sulfide copper-zinc, epithermal gold-silver, and porphyry copper-gold deposits.

Dr. Mark Fedikow of Mount Morgan Resources Ltd. completed a NI 43-101 technical report on the Todd Property and the Todd Creek Report has been filed on SEDAR at www.sedar.com

The author of the Todd Creek Report, Dr. Fedikow, is an independent Qualified Person under NI 43-101. Much of the information below has been extracted in whole or in part from the Todd Creek Report which readers are encouraged to review in full.

A review of past exploration results on the Todd Property indicates that a significant hydrothermal depositional environment exists on the property with the opportunity for the discovery of porphyry-style gold-copper mineralization and related precious metal epithermal systems and volcanogenic massive sulphide-type mineralization. Integrated geoscientific data shows that the Todd Property hosts extensive and intensive hydrothermal alteration zones. Some of the alteration and mineralization are associated with high-grade epithermal precious and base metal mineralization, whereas others are indicative of base metal massive sulphide type mineralization. Exploration work has been conducted on the property since at least 1959 by several companies, as described in detail in the Todd Creek Report. Aggregate expenditures on the property exceed $5,200,000 (un-discounted), including $2,200,000 by Intuitive during 2008. The combined Todd Creek Kelly Funk Properties cover approximately 19,467 hectares and includes several British Columbia Minfile occurrences and target areas.

At the Knob Zone geological mapping has led to the recognition of a felsic volcanic depositional center with strongly altered coarse felsic fragmental volcanic facies that bear a striking resemblance to “mill-rock”, a term used to describe a proximal lithology often associated with major massive sulphide-type deposits worldwide. Associated historic airborne electromagnetic anomalies at the Knob Zone reflect the *bona fide* volcanogenic massive sulphide type deposit potential. The Knob Zone has favourable multi-element rock geochemical signatures including maximum values for Au (2.71ppm), Ag (54.4 ppm), Cu (3.35%), Pb (1.6%), Zn (5.42%) and As (1860 ppm).

The Yellow Bowl, Knob Zone and Orange Mountain Target Area comprise favourable alteration styles and together define a structural fabric associated with approximately 10 square kilometres of altered host rock. EM anomalies, multi-element rock geochemical alteration signatures, propylitic to argillic and silicic alteration and sulphidization, justify considerable additional drilling in this large and complex geologic setting.

The South Zone hosts a significant mineralized body that was discovered by Noranda and confirmed and extended by later drilling. Together with the Mext and Next Zones, the area is associated with a large and essentially untested magnetic anomaly and spans an interesting sulphide to oxide transition in the nature of the mineralization. Discovery in hole TC08-003 of strataform sulfide mineralization suggests that it is possible this system represents footwall mineralization to base metal massive sulphide type mineralization.

At the Mylonite Zone the combination of stratigraphy and distinctive alteration of host rocks is strongly suggestive of a base metal massive sulphide-type of depositional environment. This zone may be part of a much larger system that includes the VMS and South Zones.

Intuitive expended approximately $2,200,000 in exploration costs between June and September of 2008 and approximately $300,000 in 2009. Working from a helicopter supported camp on the project, Intuitive conducted extensive geological mapping and sampling, ground geophysical surveys (magnetics and induced polarization), and drilled approximately 2,600 meters in eight diamond drill holes. Dr. Fedikow visited the project during this program and examined all aspects of the exploration program during his preparation of the Todd Creek Report.

The 2008 exploration program confirmed the significance of the previously identified target zones and identified at least three new prospect areas worthy of more exploration. Available assays from drilling and sampling in 2008 have already returned favourable results for gold, silver, copper, and zinc at various targets.

The Todd Creek Report authored by Dr. Fedikow recommends an extension or “wrap-up” of Intuitive’s Phase 1 2008 field program totaling approximately $400,000 and consisting of deep-looking helicopter-borne electromagnetic and magnetic surveys and data compilation. The proposed survey will stitch together the various exploration targets and identify areas for focused exploration. Geophysical data should be integrated with all previously acquired geological, geophysical and geochemical data with the aim of identifying diamond drill targets for future exploration and extrapolating anomalous geophysical and geochemical responses into adjacent areas. Results acquired from the data compilation and the helicopter-borne geophysical survey will provide impetus for further exploration that will include detailed and reconnaissance geologic mapping, additional ground geophysical surveys, rock and soil geochemistry and diamond drill testing of targets derived from integrated geoscientific datasets.

On June 23, 2010, the Company contracted with Geotech Ltd. based in Aurora, Ont., to fly a detailed 2,171-line-kilometre airborne VTEM and magnetic survey of the Todd Creek project in the Stewart camp of northwestern British Columbia. During July and

August of 2010, Geotech collected the data along 100-metre-spaced flight lines from a nominal 100-metre ground clearance.

Condor Consulting, out of Lakewood, Colo., has integrated and processed the data and delivered a full interpretation of the results. The Condor report identified 35 target zones on the 17,000-hectare property, including 18 volcanogenic massive sulphide TZs, 10 mesothermal gold TZs and seven porphyry copper TZs. Based on the known geology and mineralization in the core of the property, five of Condor's EM conductive linears support areas have shown geologic and geochemical characteristics favourable for mineralization. Additionally, three of the porphyry targets in the Condor report match areas where intense surface alteration and structural patterns have suggested buried intrusive bodies.

LaForce Property

Results announced in early May 2008 from Orestone's 100% owned LaForce Property provided excellent gold assays on a new discovery (BB showing) located about 20 km East of Northgate Minerals' Kemess South copper-gold mine in Northern British Columbia. Visible gold seen in a quartz vein sample was confirmed with a grade of 6.8 g/t Au. Five of eight surface grab samples collected within a clastic sediment-hosted quartz stockwork zone returned anomalous to strongly anomalous gold values of 6.8, 5.6, 0.5, 0.3, and 0.3 g/t Au. In reaction to these results, Orestone increased its claim holdings in the area to 19,500 hectares to cover a 30-km length of favorable geology and regional geochemistry.

In August 2008, Orestone completed a $60,000 program of sampling available outcrops on the BB showing and reconnaissance prospecting and geochemical sampling in several other higher-priority target areas on the property. Fire assays of 66 rock samples from the BB showing produced two highly anomalous samples of 17.7 g/T Au from a rock chip sample collected over a 5 m width and 10.6 g/T Au from a rock chip sample collected over a 2 m width. Both of the widths were measured across a pronounced foliation direction present throughout the structure and could be approximate true widths. The majority of the 66 samples were collected from the most intensely altered core of the structure and yielded results of less than 1 g/T Au. The two high values were from samples collected 700 m apart on the South-west or hanging wall side of the structure.

A drill target at the BB showing has thus been developed over a 900 metre strike length using the distance between the two highly anomalous samples and adding 100 m for extensions under cover to the North and South, supported by anomalous gold in soils.

2008 reconnaissance work outside of the BB showing area defined two early-stage, structural gold targets in the Northern and Southern parts of the property. These require follow-up work in order to ascertain whether they can be advanced to the drill target stage. The LaForce Property has been reduced to three separate claim blocks (LaForce Central, containing the BB showing, and LaForce North and

LaForce South) which now total 4,707 hectares. The expiry dates of all retained claims have been advanced to January 2012 or 2013.

During August 2010, a $5,000 reclamation bond was refunded to Orestone.

Lay Property

The 2,119 hectare Lay Property located 30 km South-east of the LaForce property covers similar geology and regional geochemistry as the LaForce Property. In August 2008, Orestone completed an $18,000 program of reconnaissance prospecting and geochemical sampling throughout the claims area. In the Southern part of the property, a 900 m interval along a reconnaissance soil sampling line returned anomalous values for gold and several pathfinder elements. The soil line is located within a large gossan zone. No work was conducted on the claims in 2010.

Cash-in-lieu payments ($150 per month) were made on the Lay 10 mineral claim in order not to change mineral title status until after the purchase of Intuitive was complete. These payments were made during the period September 2009 through to July 2010. A new Lay 10 claim was staked July 14, 2010 at a cost of $178 and has an expiry date of July 14, 2011.

Connor Creek Property

The Company entered into an arm's length letter agreement dated November 10, 2009 with Kootenay Gold Inc ("Kootenay"), a publicly trading company on the TSX Venture Exchange (TSX-V:KTN), for the acquisition of an option to earn 60% of Kootenay's 100% interest in the Connor Creek gold property in the Nelson Mining Division, Southeastern British Columbia.

Pursuant to the Letter Agreement, Orestone may earn 60% of Kootenay's 100% interest in the Connor Creek Property by: (i) expending $1,000,000 on the Property prior to November 10, 2013 including $150,000 in exploration costs by November 10, 2010; and (ii) delivering to Kootenay an aggregate 750,000 shares of Orestone by November 10, 2013 including 150,000 shares on acceptance of the Letter Agreement by the TSX Venture Exchange. Upon making the foregoing expenditures and share payments, Orestone will have earned an undivided 60% interest in the Connor Creek Property. Orestone has made the initial 150,000 share payment and incurred exploration costs in excess of $300,000, which satisfies the terms of the agreement through to November 10, 2010. Subsequently on November 9, 2010, the Company issued an additional 150,000 shares to Kootenay in order to maintain the option until November 2011. In addition, the Company is required to incur $50,000 of exploration expenditures by November 10, 2011.

The Connor Creek Property covering 2270.1 hectares is located 18 km South-west of the town of Nelson in Southeastern British Columbia. Recent logging roads have provided access to most of the claim area and exposed new zones of gold mineralization. Metasedimentary rocks on the property have been intruded by Middle Jurassic intrusions correlated with the Nelson Plutonic Suite. Many of the vein camps and skarn deposits in Southeastern B.C. are within or along the margins of Nelson Plutonic intrusions including the historic gold-producing veins at Rossland, 40 km South-west.

Gold-bearing shear zones, massive sulphide gold-copper veins, polymetallic veins and skarn occur on the property. The massive sulphide veins are similar in many respects to the veins that host the copper-gold deposits of the historic Rossland Camp. Although hillsides are steep, little outcrop has been found away from roads and some creeks. A soil geochemical survey over about one quarter the property has located several unexplained zones of strongly anomalous values for gold (up to 1554 ppb) and other metals. These zones measure up to 1500 metres long and 500 metres wide. Drilling in 2007 of newly discovered gold-bearing shears at the CC Gold Zone at the North end of a 550 metre long gold soil anomaly returned the following drill intercepts:

Hole CC07-09: 16.2 g/t Au over 0.80 m.
Hole #CC07-10: 4.75 g/t Au over 3.0 m and 3.29 g/t Au over 1.76 m and 1.09 g/t Au over 4.0 m

The Company completed a 1,631 m, 9-hole diamond drilling program during the period November 23 to December 19, 2009. Initial drilling by Orestone targeted the CC Gold Zone discovered by Kootenay Gold Inc. in 2007. Seven of nine holes tested this zone and its inferred Southeasterly extension over a distance of about 550 m. A summary of significant 2009 mineralized intercepts is given in the table below.

Hole #	From-To (m)	Interval (m)	Au g/t	Cu ppm
CC09-01	29.37 - 30.75	1.38	6.11	251
CC09-02	20.79 - 22.50	1.71	1.2	43
CC09-03	95.00 - 96.98	1.98	7.06*	75
CC09-06	121.57 - 122.95	1.38	1.02	185
CC09-09	110.90 - 111.80	0.9	1.93	>10,000
CC09-09	144.22 - 145.58	1.36	4.4	2,657

* 12.61 g/t Au on re-analysis (separate assay pulp)

The Company will evaluate the property for continuing development in co-ordination with Kootenay personnel.

Qualified Person

The technical information reported in this MD&A has been reviewed and approved by Mr. Gary Nordin P. Geo., the Company’s Vice President – Exploration. Mr. Nordin is a Professional Geoscientist and member of the Professional Engineers and Geoscientist

Association of British Columbia (APGEBC) and a qualified person as defined by NI 43-101.

Impairment of Long-lived Assets

The Company completed an impairment analysis as at April 30, 2011, which considered the indicators of impairment in accordance with IAS 36, "Impairment Assets". Management concluded that no impairment charge was required because:

- there have been no significant changes in the legal factors or climate that affects the value of the properties;
- all property rights remain in good standing;
- there have been no significant changes in the projections for the properties;
- exploration results continue to be positive;
- the Company intends to continue its exploration and development plans on its properties.

PURCHASE OF INTUITIVE EXPLORATION INC.

As mentioned above, the Company completed the acquisition of Intuitive Exploration Inc. on June 3, 2010. This purchase was pursuant to a November 26, 2009 arm's length letter agreement (the "Agreement") between the Company and Intuitive and 0875639 BC Ltd. ("0875639"), both of which were arm's length private British Columbia companies. The transaction was completed June 3, 2010 by way of share exchange.

Pursuant to the Agreement, the acquisition of Intuitive was completed through the following share exchange:

- Each share of Intuitive issued and outstanding was transferred to Orestone;
- Each Intuitive shareholder was issued shares at a fair value of $0.135 per share, based on a Fairness Opinion (the "Opinion") dated March 10, 2010, for their shares by the Company and was deemed to have their Intuitive shares cancelled;
- Each Intuitive shareholder received 1 common share of the Company for transferring 1 Intuitive share;
- Each Intuitive share acquired by the Company was transferred to 0875639 in exchange for 0875639 shares on a 1:1 basis. The fair value of the 0875639 shares of $0.13, was be based on the Opinion;
- Finder's fee was issued to Raymond James Ltd. consisting of 200,000 units. Each unit consisted of one common shares and one share purchase warrant with each warrant entitling the holder to purchase one common share of the Company at $0.15 per share for two years.
- Intuitive and 0875639 amalgamated.

As of June 3, 2010 Intuitive is the Company's wholly-owned subsidiary and the Company is the parent of Intuitive.

The major asset of Intuitive is its 51% interest in the Todd Creek Joint Venture ("the Todd Creek Joint Venture"). The principal commercial asset of Intuitive is its 51% interest in the Todd Property which was obtained pursuant to the Todd Creek option agreement, signed April 3, 2008 among Intuitive, Goldeye Exploration Limited ("Goldeye"), Polar Star Mining Corporation ("Polar"), and Geofine Exploration Consultants Ltd ("Geofine"). Intuitive is the Manager of the Joint Venture by virtue of its majority interest in the property.

SUMMARY OF SELECTED ANNUAL FINANCIAL INFORMATION

	Year ended January 31, 2011	Year ended January 31, 2010	Year ended January 31, 2009
Net sales / total revenues	$ -	$ -	$ -
Income (loss) before discontinued operations and extraordinary items	$ (546,613)	$ (161,468)	$ (421,636)
Per share basis	$ (0.01)	$ 0.00	$ (0.02)
Diluted per share basis	$ (0.01)	$ 0.00	$ (0.02)
Net income or loss, total	$ (546,613)	$ (161,468)	$ (421,636)
Per share basis	$ (0.01)	$ 0.00	$ (0.02)
Diluted per share basis	$ (0.01)	$ 0.00	$ (0.02)
Total assets	$ 2,963,387	$ 2,293,508	$ 2,339,003
Total long-term financial liabilities	$ -	$ -	$ 38,571
Cash dividends declared per share	$ -	$ -	$ -

RESULTS OF OPERATIONS

Trends in Financial Condition and Results of Operations

The volatility of exploration costs is inherent to the business of resource-based companies. Based on the information available to date, the Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for mineral properties and deferred exploration costs is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their development and upon future profitable production.

Management is also aware that material uncertainties exist, related to current economic conditions, which could adversely affect the Company's ability to continue to finance its activities. Management's plan include continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs.

Management of the Company believes that no additional meaningful information about the Company's operations can be found by further analyses of fluctuations.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

Fiscal quarter ended	Revenues*	Net income (loss)**	Loss per share from continuing operations	Net comprehensive income (loss)	Net income (loss) per share
	$	$	$	$	$
30-Apr-11	Nil	(34,551)	(0.01)	(34,551)	(0.00)
31-Jan-11	Nil	(261,984)	(0.01)	(261,984)	(0.01)
31-Oct-10	Nil	(9,297)	(0.00)	(9,297)	(0.00)
31-Jul-10	Nil	(175,467)	(0.01)	(175,467)	(0.01)
30-Apr-10	Nil	(15,017)	(0.00)	(15,017)	(0.00)
31-Jan-10	Nil	(113,795)	(0.01)	(113,795)	(0.01)
31-Oct-09	Nil	(16,612)	(0.00)	(16,612)	(0.00)
31-Jul-09	Nil	(1,256)	(0.00)	(1,256)	(0.00)

* Revenues exclude interest income.
** Net income (loss) before income taxes.

The operating results of junior exploration companies are capable of demonstrating wide variations from quarter to quarter. The Management of Orestone Mining Corp. does not believe that meaningful information about the Company's operations can be derived from an analysis of quarterly fluctuations in any more detail than presented here.

For the three months ended April 30, 2011 compared to the three months ended April 30, 2010:
In the first quarter of fiscal 2012 the Company recorded a net loss of $34,551 (loss per share - $0.00) compared to $15,017 (loss per share - $0.00) in the first quarter of 2011. During the three months ended April 30, 2011, the Company expensed $18,250 in exploration costs compared to $Nil exploration costs incurred in the first quarter of 2011 (see Results of Operations – Mineral Properties).

Administrative expenses increased by $19,534 and totaled $34,551 in the three months ended April 30, 2011. The increase is mainly a result of $16,000 management fees in the first quarter of fiscal 2012 compared to $5,762 incurred in the three months ended April 30, 2010, and two new groups of expenses: filing fees $1,844 and investor relations $1,020 as a result of the Company completing an RTO transaction and became a publicly listed company. The professional fees totaled $9,797 (2010 - $6,475).

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2011, the Company had current assets of $148,664 and current liabilities of $428,971 (January 31, 2011 - $184,063 and $411,855, respectively). Working capital deficiency was $280,307 (January 31, 2011 - $227,792).

During the period ended April 30, 2011, the Company incurred a total of $18,250 in exploration expenditures on its properties and had $23,370 cash inflows from operating activities (see "Results of Operations").

Subsequent to the period, the Company closed a financing for proceeds of $245,000.

The Company has obligations pursuant to option agreements it has entered into. The Company has no contractual commitments to satisfy these obligations, however it would forfeit any interest it may have earned to that date should it decide not to satisfy these obligations. Detailed terms of those agreements and the obligations are included in the Financial Statements.

The Company is currently considering options for raising addition capital. The Company has no material debt obligations, other than short term liabilities incurred in the normal activities of exploration and administration. The Company has no long term debt.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would potentially affect its operations or financial condition of the Company.

RELATED PARTY TRANSACTIONS

During the period ended April 30, 2011, the Company:

- incurred management fees of $16,000 (2010 - $5,762) to directors and officers of the Company;

As at April 30, 2011 $196,070 (January 31, 2011 - $178,070) was owing to directors and officers of the Company. This amount is non-interest bearing and has no fixed terms of repayment.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

No director’s fees were paid to any of the five Directors of the Company. It is the choice of the Board to receive their remuneration by way of expected future increases in the unit value of the common shares of the Company that they hold. The Company may contemplate other future remuneration arrangements such as an expanded option plan for Directors, Officers and employees.

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the board of directors other than the agreement with Kootenay Gold Inc. referred to above. All current transactions are fully disclosed in the financial statements for the period ended April 30, 2011.

OTHER ITEMS NOT RELATED TO ONGOING BUSINESS ACTIVITIES

Changes in the direction of business

Since incorporation on April 30, 2007, the Company is and continues to be primarily in the exploration stage with respect to its mineral properties.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, receivables, mineral tax credit recoverable, loans payable, accounts payable and due to related parties. The carrying value of these financial instruments approximates their fair value and are measured based on Level 1 of the fair value hierarchy. The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and interest risk.

Management of Financial Risk

The Company's financial instruments are exposed to certain financial risks, which include credit risk, interest rate risk, liquidity risk, and market risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation causing the other party to incur a financial loss. The Company is exposed to credit risks arising from its cash holdings and receivables. The Company manages credit risk by placing cash with major Canadian financial institutions. Receivables are due from the Government of Canada and for reimbursements. Management believes that credit risk related to these amounts is low.

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company's exposure to interest rate risk relates to its ability to maintain the current rate of interest on its short-term investment.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. To manage liquidity risk, the Company reviews additional sources of capital to continue its operations and discharge its commitments as they become due.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Company is not subject to currency risk as the functional currency is the Canadian dollar. The Company does not use any form of derivative or hedging instruments to reduce its foreign currency risk. The Company is not affected by price risk.

Management of Industry Risk

The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

Accounting estimates and judgments

The preparation of these financial statements requires management to make estimates and judgments and form assumptions that affect the reported amounts and other disclosures in these financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used in the preparation of these financial statements include, among others, the recoverability of accounts receivable and deferred income tax assets, impairment of assets, measurement of share-based payments and valuation of reclamation obligations.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include the expected economic lives of and the estimated future operating results and net cash flows from exploration properties and equipment.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

***International Financial Reporting Standards* (“IFRS”)**

The Canadian Accounting Standards Board (“AcSB”) confirmed in February 2008 that IFRS will replace Canadian generally accepted accounting principles (“Cdn GAAP”) for publicly accountable enterprises for financial periods beginning on or after January 1, 2011.

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting

("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These are the Company's first IFRS condensed consolidated interim financial statements for the three-month period ended April 30, 2011 covered by the first IFRS consolidated annual financial statements to be presented in accordance with IFRS for the year ending January 31, 2011. Previously, the Company prepared its consolidated annual and consolidated interim financial statements in accordance with Cdn GAAP.

As stated in Note 2 of the condensed consolidated financial statements, these are the Company's first condensed consolidated interim financial statements for the three-month period ended April 30, 2011 covered by the first annual condensed consolidated interim financial statements prepared in accordance with IFRS.

The accounting policies in Note 2 of the condensed consolidated financial statements have been applied as follows:

- in preparing the condensed consolidated interim financial statements for the three months ended April 30, 2011;
- the comparative information for the three months ended April 30, 2010;
- the statement of financial position as at January 31, 2011; and
- the preparation of an opening IFRS statement of financial position on the Transition Date, February 1, 2010.

In preparing the opening IFRS statement of financial position, comparative information for the three months ended April 30, 2010 and the financial statements for the year ended January 31, 2011, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Cdn GAAP.

An explanation of how the transition from Cdn GAAP to IFRS has affected the Company's financial position, financial performance and cash flows is set out in the following tables in the Note 12 of financial statements.

Elections upon first-time adoption of IFRS

The IFRS 1 exemptions by the elected Company in the conversion from Canadian GAAP to IFRS are as follows:

(i) Business combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 (2008) *Business Combinations* retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has elected to apply IFRS 3 (2008) to only those business combinations that occurred on or after the Transition Date and such business combinations have not been restated. As a result of this election, no adjustments were required to the Company's statement of financial position as at the Transition Date.

(ii) Share-based payment transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 *Share-based Payment* to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to the Transition Date.

Mandatory Exceptions under IFRS

The IFRS 1 mandatory exception applied by the Company in the conversion from Canadian GAAP to IFRS is as follows:

(iii) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP unless there is objective evidence that those estimates were made in error. The Company's IFRS estimates as at the Transition Date are consistent with its Canadian GAAP estimates as at that date.

(iv) Reclassification within Equity section

Under Canadian GAAP, a balance within contributed surplus existed to record the issuance of warrants, agent's options and equity-settled employee benefits. Upon adoption of IFRS, the balance in this account has been reclassified to "Reserves – Warrants".

(v) Deferred Tax on Mineral Properties

As of January 31, 2011, the Company recognized a deferred income tax expense of $84,848 arising from goodwill upon completion of the RTO as the difference between the allocated fair value and the tax base of the assets acquired. IAS 12, Income Taxes does not permit the recognition of deferred taxes on such transactions. As a result, the Company has derecognized the deferred income tax expense and liability which had previously been recognized on the transaction.

Future Accounting Pronouncements

IFRS 9 Financial instruments ("IFRS 9")
IFRS 9 was issued by the IASB on November 12, 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). The new standard replaces the current multiple classification and measurement models for financial assets and liabilities

with a single model that has only two classification categories: amortized cost and fair value.

IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment, are recognized in profit or loss; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

This new standard is effective for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

Recent pronouncements
In May 2011, the IASB issued the following standards which have not yet been adopted by the Company: IFRS 10, Consolidated Financial Statements (“IFRS 10”), IFRS 11, Joint Arrangements (“IFRS 11”), IFRS 12, Disclosure of Interests in Other Entities (“IFRS 12”), IAS 27, Separate Financial Statements (“IAS 27”), IFRS 13, Fair Value Measurement (“IFRS 13”) and amended IAS 28, Investments in Associates and Joint Ventures (“IAS 28”). Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRSs. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

OTHER MD&A DISCLOSURE REQUIREMENTS

Information available on SEDAR:

As specified by National Instrument 51-102, Orestone advises readers of this MD&A that important additional information about the Company is available on the SEDAR website (www.sedar.com).

Disclosure by venture issuer without significant revenue

An analysis of the material components of the Company's general and administrative expenses is disclosed in the financial statements to which this MD&A relates. An analysis of the material components of the mineral property and deferred exploration costs of the Company's mineral properties for its first two completed financial years is disclosed in Note 4 to the financial statements to which this MD&A relates.

OUTSTANDING SHARE DATA

Common Shares

Authorized: unlimited number of common shares without par value

	Issued and Outstanding	
	April 30, 2011	July 29, 2011
Common shares	48,079,913	52,979,913

On July 11, 2011 the Company completed a private placement of 4,900,000 units at a price of $0.05 per unit for proceeds of $245,000. Each unit consisted of one common share and one common share purchase warrant exercisable into one common share at a price of $0.10 until July 11, 2013.

The securities issued on this private placement are subject to a hold period that expires on November 12, 2011. The private placement is subject to the final approval of the TSX Venture Exchange.

As of January 31, 2011, 975,000 common shares are held in escrow, which were released as of April 30, 2011.

Options

The following options were outstanding as at July 29, 2011:

Number of Options	Exercise Price	Expiry Date
1,250,000	$0.20	March 7, 2013
500,000	$0.15	January 12, 2015
1,750,000		

Warrants

The following warrants were outstanding as at July 29, 2011:

Number of Warrants	Exercise Price	Expiry Date
3,650,400	$0.15	December 18, 2011
200,000	$0.15	June 3, 2012
4,900,000	$0.10	July 11, 2013
8,750,400		

Going concern issue

The Company is in the exploration stage and has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company.

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The junior resource industry has been severely affected by the world economic situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. Management of the Company, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2011, as required by Canadian securities law. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of March 31, 2011, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws were recorded, processed, summarized and reported within the time period specified by those laws and that material information was accumulated and communicated to management of the Company, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow for accurate disclosure to be made on a timely basis.

Changes in Internal Control over Financial Reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Chief Executive Officer and Chief Financial Officer have concluded that there has been no change in the

Company's internal control over financial reporting during the period ended March 31, 2011 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. As of March 31, 2011, the Company's internal control over financial reporting was effective.

Cautionary Statement

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and the Company's other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, with limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational, political and environmental risks.

Dated: July 29, 2011