



(“Revolution” or the “Company”)

**FORM 51-102F1  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE NINE MONTH PERIOD ENDED JULY 31, 2012**

***Introduction***

This management’s discussion and analysis (MD&A) of Revolution Resources Corp. and its subsidiaries, Revolution Resources (NC) Inc., and Minera Revolution, S.A. de C.V., is the responsibility of management and covers the nine month period ended July 31, 2012. The MD&A takes into account information available up to and including September 12, 2012 and should be read together with the unaudited condensed consolidated financial statements for the quarter ended July 31, 2012 and with the audited consolidated financial statements, notes and MD&A for the years ended October 31, 2011 and 2010, all of which are available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Throughout this document the terms *we*, *us*, *our*, *the Company* and *Revolution* refer to Revolution Resources Corp. All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and presented in Canadian dollars unless otherwise indicated. The Company’s accounting policies have changed and the presentation, certain financial statement references and terminology used in this MD&A and the accompanying unaudited condensed consolidated interim financial statements differ from those used in financial statements and quarterly and annual reports issued prior to the nine month period ended July 31, 2012.

Additional information related to the Company is available for view on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.revolutionresourcescorp.com](http://www.revolutionresourcescorp.com).

**Forward-Looking Statements**

Some of the statements contained in this document constitute forward-looking information within the meaning of the Securities Act (British Columbia), Securities Act (Ontario), Securities Act (Nova Scotia) and the Securities Act (Alberta). Forward-looking information includes disclosure regarding possible or anticipated events, conditions or results of operations which are based on assumptions about future economic conditions and courses of action, and includes future oriented financial information with respect to prospective results of operations or financial position or cash flow that is presented either as a forecast or a projection. Forward-looking information is often, but not always, identified by the use of words such as seek, anticipate, believe, plan, estimate, expect and intend; statements that an event or result is due on or may, will, should, could, or might occur or be achieved; and other similar expressions.

More specifically, forward-looking information contained here may include, without limitation, statements concerning Revolution's plans for mineral properties in Greenland and North Carolina, USA, the timing and amount of estimated future production and mine life, expected future prices of minerals, mineral reserve and mineral resource estimates, estimated capital and operating costs of the project, estimated capital pay-back period, estimated asset retirement obligations, timing of development and permitting time lines; all of which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Forward-looking information contained here is based on material factors and assumptions and is subject to a variety of risks and uncertainties, which could cause actual events or results to differ materially from a conclusion, forecast or projection in the forward-looking information. These include, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the availability of financing for activities when required and on acceptable terms, the accuracy of the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the consistency of future exploration, development or mining results with our expectations, metal price fluctuations, the achievement and maintenance of planned production rates, the accuracy of component costs of capital and operating cost estimates, current and future environmental and regulatory requirements, favourable governmental relations, the availability of permits and the timeliness of the permitting process, the availability of shipping services, the availability of specialized vehicles and similar equipment, costs of remediation and mitigation, maintenance of title to mineral properties, industrial accidents, equipment breakdowns, contractor's costs, remote site transportation costs, materials costs for remediation, labour disputes, the potential for delays in exploration or development activities, timely completion of future mineral reserve or resource estimates, timely completion of scoping or feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, continuing global demand for base metals, expectations and beliefs of management and other risks and uncertainties as discussed in our Management's Discussion & Analysis. Although Revolution has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, we undertake no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

### ***Reserves and Resources***

National Instrument 43-101 ("43-101") of the Canadian Securities Administrators – Standards of Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to Revolution's continuous disclosure documents available at [www.sedar.com](http://www.sedar.com) for this detailed information, which is subject to the qualifications and notes therein set forth.

### ***Description of Business***

Revolution is based in Vancouver and was incorporated on July 14, 2009 pursuant to the *Business Corporations Act* (British Columbia) and commenced business at that time. On April 27, 2010 the Company completed its Initial Public Offering ("IPO") by way of Prospectus, and began trading on the Toronto Stock Exchange (the "TSX" or "Exchange") under the symbol "NUU". Effective September 8, 2010 the Company changed its name to Revolution Resources Corp. (formerly Nuukfjord Gold Ltd.) and began trading under the symbol "RV".

The Company is an exploration stage company in the business of acquiring, exploring and developing natural resource properties in the USA and Mexico. The Company has two main projects:

1. The Company has entered into numerous Option and Purchase and Option and Lease Agreements covering an area known as Champion Hills, North Carolina. The various Agreements entitle the Company to acquire up to 100% of the properties, subject to the terms of the agreements more particularly described in the unaudited condensed consolidated interim financial statements.
2. The Company has entered into an option agreement to acquire up to a 100% interest in the Montana de Oro Properties and Universo Property located in Mexico. The combined Mexico property portfolio contains land totaling over 900,000 acres. In order to acquire an initial 60% interest, the Company has issued 5,713,740 common shares valued at \$2,056,946, must incur \$15,000,000 in expenditures on the properties by August 31, 2016 and, within 30 days of incurring \$15,000,000 in expenditures, issue \$1,000,000 in common shares of the Company. Pursuant to an amendment made in the period ended July 31, 2012, the Company must issue an additional 7,500,000 common shares over four years. In order to earn a 100% interest in the properties, the Company must meet certain conditions on each of the Montana de Oro and Universo properties. The terms are more particularly described in the Company's unaudited condensed consolidated interim financial statements.

### Performance Summary

The following is a summary of significant events and transactions that occurred during the quarter ended July 31, 2012, the Company:

- 1) Announced the assay results from its exploration programs at the La Bufa and Universo properties in Mexico. High grade gold, silver and variable copper mineralization suggests multiple prospective epithermal targets and extensions to the historically producing Carmen Mine at La Bufa and the Cinco Estrellas Mine at Universo. Discussion of the assay results is provided in the Exploration Update of the Mexico portfolio below.
- 2) Amended the terms of the Mexico properties option agreement with Lake Shore Gold Corp. ("Lake Shore"). The expenditures required to be incurred during the first option period to earn a 60% interest have been reduced to \$15 million from \$35 million. In consideration for this expenditures reduction:
  - The Company will be required to issue an additional 7,500,000 common shares to Lake Shore over 4 years during the first option period; and
  - The payment required to exercise the Second Option to acquire the remaining 40% of either or both of the Universo and Montana de Oro properties has been increased from \$20 per gold or gold equivalent ounce of resource in all categories to \$30 per ounce.

Additional information, including the full news release, can be found on [www.sedar.com](http://www.sedar.com) and the Company's website [www.revolutionresourcescorp.com](http://www.revolutionresourcescorp.com)

### Subsequent Events

Subsequent to the period ended July 31, 2012, the Company reported initial results from the Universo Property from six of the nine diamond drill holes totaling 1,272 metres completed on 75 to 100 metre centres and reported the assay results and the discovery of three new high-grade gold, silver, copper and molybdenum-bearing surface prospects at its La Bufa Property. Exploration detail is provided in the Exploration Summary below and in the news releases dated August 2<sup>nd</sup>, 8<sup>th</sup> and 24<sup>th</sup>.

Additional information, including the full news release, can be found on [www.sedar.com](http://www.sedar.com) and the Company's website [www.revolutionresourcescorp.com](http://www.revolutionresourcescorp.com)

### *Property and Exploration Summary*

#### **Universo and Montana de Oro Projects, Mexico**

Revolution Resources conducted core drilling programs at both the Universo, San Luis Potosi and Montana de Oro/La Bufa, Chihuahua projects during the second quarter of 2012, producing a total of 2,758m in 20 drill holes. In addition to drilling, Revolution Resources conducted surface reconnaissance and geologic mapping at both projects with particular emphasis on generating new targets. A total of 947 surface and underground samples were collected between the two projects, 701 at Universo and 246 at La Bufa. All drill core and rock samples were sent to one of three different ALS-Chemex prep laboratories within Mexico then, were shipped to Vancouver, Canada for analysis. In addition to core drilling at Universo, an aggressive reclamation program was undertaken on all recent drill sites and access roads, a process that was undertaken by Minera Cascabel's Environmental group.

#### **Property Acquisition**

On December 14, 2011 and as amended July 26, 2012, the Company entered into an option agreement with Lake Shore to acquire up to a 100% interest in the Universo, and Montana de Oro (comprised of Montana de Oro, Lluvia de Oro and La Bufa properties) Properties in Mexico.

In order to acquire an initial 60% in the Mexican properties, the Company has issued 5,713,740 common shares valued at \$2,056,946, must incur \$15,000,000 in expenditures on the Mexican properties by August 31, 2016, including reimbursing Lake Shore for expenditures incurred with respect to the properties in 2011, and, within 30 days of incurring \$15,000,000 in expenditures, issue to Lake Shore \$1,000,000 in common shares of the Company. Additionally, the Company will issue 7,500,000 common shares to Lake Shore over a four year period.

The Company can acquire a 100% interest in either or both of Universo and Montana de Oro properties by completing 43-101 compliant technical reports and satisfying certain additional terms, as outlined below, on or before August 31, 2017:

1. With respect to Universo, by producing an 43-101 technical report showing a total resource of all categories of at least two million gold-equivalent ounces and paying Lake Shore \$30 per ounce of resources defined in such report, in cash or in common shares of the Company at the election of Lake Shore.
2. With respect to the Montana de Oro properties, by producing an NI 43-101 technical report showing a total resource of all categories of at least one million gold-equivalent ounces and paying Lake Shore \$30 per ounce of resources defined in such report in cash or in common shares of the Company at the election of Lake Shore.

The option to acquire a 100% interest with respect to either the Universo or Montana de Oro property may be exercised prior to the exercise of the option to acquire a 60% interest therein, provided that the Company pays to Lake Shore an amount equal to any expenditures under the 60% option not yet incurred by the Company to the date of completion of the applicable technical report.

In the event the Company acquires a 60% interest, but not a 100% interest, in respect of either property, the Company and Lake Shore will enter into a joint venture with respect to such property. The Company and Lake Shore will each have a right of first refusal on the transfer of the other party's interest in the joint venture.

Lake Shore will have the right to have one nominee appointed to the board of directors of the Company following the execution of the option agreement. The nomination right will continue during the period of

the Company's option to acquire a 60% interest described above and subsequently so long as Lake Shore holds at least 5% of the issued and outstanding common shares of the Company.

The Universo and Montana de Oro properties are subject to underlying agreements. Payments related to the maintenance of the underlying agreements qualify as expenditures under the agreement with Lake Shore:

1. Underlying payments on the Universo property total US\$4,500,000 over the term of the Lake Shore agreement with US\$550,000 payable in the first year of the agreement (US\$385,000 paid). There is a royalty of 1.5% payable on certain claims upon commencement of commercial production.
2. Underlying payments on the Montana de Oro property total MXP 1,083,990 in the first year (paid) and MXP 1,000,000 every year thereafter.

The Company entered into an option agreement to acquire three additional claims to the La Bufa claims in the Montana de Oro property. The agreement requires cash payments totalling US\$350,000 (US\$50,000 paid) and issuing 800,000 common shares (300,000 issued at a value of \$48,000) of the Company over a two year period. The vendor retains a 1.5% NSR with respect to these claims.

### **Property Exploration by Revolution Mexico Portfolio**

#### ***La Bufa (Montana de Oro)***

The La Bufa property experienced a significant amount of exploration during the second quarter of 2012 consisting of surface and underground sampling, detailed underground and surface mapping, ejido contract negotiations, drill hole permitting, and a helicopter supported core drilling program. A helicopter supported core drilling program was initiated in mid-May and was completed in the later part of June, 2012. A total of 1485.6m was drilled in 11 widely spaced core holes, testing 5 different vein targets (Table 3).

The La Bufa property consists of several vein targets that have seen small to extensive mining, particularly the Carmen mine. This underground mine, active during the late 1940's into the early 1950's, produced a reported 1.0 million tons at 2.5% copper and 2.9g/t gold. Our initial exploration around the Carmen mine included the collection of numerous underground and surface samples designed to determine if and where exploration potential resides. Additionally, an abundance of historic underground maps were acquired and georeferenced into GIS and 3-D software providing the opportunity to accurately view where mining had occurred. Several of the smaller underground workings peripheral to the Carmen, such as the Golondrina and San Fernando, were surveyed, mapped, and sampled by our geologists. Surface geologic mapping accompanied the underground work which translated into the planning and development of a reconnaissance style helicopter supported drilling program.

Negotiations with two ejidos resulted in the acquisition of agreements for surface access and exploration rights. Permitting for the holes was granted by SEMARNAT and contractors for drilling and helicopter support were procured. Drilling was conducted at several targets on the La Bufa property and our drilling crew resided in the small town of La Bufa, but the base of operations and core logging was conducted in the town of Batopilas, 25km to the southwest.

Table 3: La Bufa Collar Locations and hole details

Hole #	Location	Easting	Northing	Depth_m	Azimuth	Dip	StartDate	FinishDate
LB12-001	Carmen	242807	3001429	198.25	115	-55	5/22/2012	5/26/2012
LB12-002	Carmen	242655	3001080	112.85	320	-45	5/26/2012	5/28/2012
LB12-003	Carmen	242814	3001319	131.15	115	-70	5/29/2012	5/31/2012
LB12-004	Carmen	242814	3001319	97.6	115	-70	5/31/2012	6/1/2012
LB12-005	Carmen	242814	3001319	79.3	115	-50	6/1/2012	6/2/2012
LB12-006	Carmen	242235	3000912	183	100	-45	6/3/2012	6/7/2012
LB12-007	Carmen	242275	3000926	170.8	80	-45	6/8/2012	6/10/2012
LB12-008	San Fernando	239681	3001083	122.2	300	-50	6/11/2012	6/12/2012
LB12-009	San Fernando	239681	3001083	146.4	300	-65	6/13/2012	6/15/2012
LB12-010	Golondrina	239382	3001662	122	110	-50	6/16/2012	6/17/2012
LB12-011	Cazadores	245616	3002054	122	22	-70	6/19/2012	6/20/2012

Geochemical results from the drilling were positive and 8 out of the 11 holes intercepted gold, copper, and occasionally silver in near surface veins. The results are highlighted by a 0.25m intercept of 21.3g/t Au with 40.2g/t Ag and 2.41% Cu starting at 78.55m in drill hole LB12-004 at the Carmen mine. Other notable intervals are LB12-002 with 1.45m of 2.91g/t Au, 10.43g/t Ag, and 0.784% Cu, drill hole LB12-005 with 6.25m of 0.51g/t Au and 0.642% Cu, and LB12-010 with 0.5m of 4.85g/t Au, 6.67g/t Ag, and 1.06% Cu. All significant drill hole intercepts are listed in table 4 below.

During the drilling campaign, a property wide reconnaissance program was undertaken with specific focus on historic stream sediment gold and copper anomalies as well as Aster land satellite spectral anomalies. The resulting work identified 3 new targets, the Panalito, Don Julio, and Hornitos. Panalito is 1000m northeast of the main Carmen workings and consists of small artisanal mines and copper oxide bearing vein exposures. Results from a hand full of surface samples are highlighted by a 10.6% Cu and the 15 samples average 2.08% Cu, 0.206g/t Au, and 3.41g/t Ag.

The Hornitos target is molybdenite hosted in quartz veins at 1-3m intervals over a 200m wide area cutting sericitic altered hornfels sediments. The 5 highest grade rock chip samples average 0.173% Mo with a range of 0.0862 to 0.254%. All 21 samples average 0.043% Mo and have anomalous Cu, Zn, and Re.

The Don Julio target currently measures 1,500m in length, oriented northeast-southwest, and consists of several vein and shear zone occurrences in outcrop and small prospects. Geochemical results are promising with one sample returning 15.7g/t Au and 10 out of 17 samples have a range between 1.7 and 15.7g/t Au. Additionally, 9 out of 17 samples average 0.639% with a range of 0.1 to 1.25% Cu. Two of the seventeen samples have very anomalous Zn with 5.38 and 2.19%.

Coupled with the good drilling results, follow-up work at all previous and new targets is planned for the second half of 2012 which will largely consist of surface mapping, sampling, and possible trenching.

Table 4: Significant Drill Hole Intercepts, La Bufa core drilling, 2012

Drill Hole	Prospect	Vein	From	To	Length	Au (g/t)	Ag (g/t)	Cu %
LB12-001	Carmen	Herradura	73.40	85.60	12.20	0.12	nil	0.55
			77.75	83.20	5.45	0.16	nil	0.86
LB12-002	Carmen	Oro Azul	<b>71.00</b>	<b>72.45</b>	<b>1.45</b>	<b>2.906</b>	<b>10.43</b>	<b>0.78</b>
			70.00	77.35	7.35	0.97	3.96	0.58
			71.50	89.00	17.50	0.44	1.92	0.55
LB12-003	Carmen	Oro Azul	91.90	92.75	0.85	0.63	1.34	0.61
LB12-004	Carmen	Herradura	<b>78.55</b>	<b>78.80</b>	<b>0.25</b>	<b>21.3</b>	<b>40.2</b>	<b>2.41</b>
			<b>77.30</b>	<b>93.70</b>	<b>16.40</b>	<b>0.674</b>	<b>3.7</b>	<b>0.78</b>
LB12-005	Carmen	Herradura	<b>54.85</b>	<b>61.10</b>	<b>6.25</b>	<b>0.51</b>	<b>nil</b>	<b>0.64</b>
			49.85	62.00	12.15	0.03	nil	0.46
LB12-006	Carmen	Carmen	78.55	80.00	1.45	0.07	0.45	0.70
LB12-007	Carmen	Carmen				No Significant Results		
LB12-008	San Fernando	San Fernando	68.50	69.50	1.00	0.461	nil	0.04
			80.55	82.55	2.00	0.441	nil	0.0245
			<b>100.15</b>	<b>100.65</b>	<b>0.50</b>	<b>5.6</b>	<b>nil</b>	<b>0.238</b>
			120.25	122.00	1.75	0.761	nil	0.01
LB12-009	San Fernando	San Fernando	70.00	76.20	6.2m	1.045	nil	0.04
			<b>73.25</b>	<b>73.75</b>	<b>0.50</b>	<b>3.66</b>	<b>nil</b>	<b>0.10</b>
			<b>75.25</b>	<b>75.75</b>	<b>0.50</b>	<b>5.72</b>	<b>nil</b>	<b>0.05</b>
			110.15	111.50	1.35	nil	nil	0.23
			107.45	108.15	0.70	0.399	nil	nil
LB12-010	Golondrina	Golondrina	83.00	87.00	4.00	1.23	1.28	0.355
			<b>84.50</b>	<b>85.00</b>	<b>0.50</b>	<b>4.85</b>	<b>6.67</b>	<b>1.06</b>
			92.00	94.00	2.00	0.395	nil	0.20
			118.00	122.00	4.00	0.074	1.12	0.40
LB12-011	Cazadores	Cazadores				No Significant Results		

Initial reconnaissance work at the 18,000 hectare La Bufa Property completed by Revolution confirmed the high-grade nature of the multiple structures on the Property. No historical drilling has been completed on these prospects by Revolution or previous operators at La Bufa. The Property is located 30 km east of Goldcorp's El Sauzal gold mine, and is centered on the historic Carmen copper-gold mine. The La Bufa property also includes the historic Golondrina and San Fernando Mines and Revolutions newly defined Cazadores prospect.

A second phase of surface and underground mapping combined with systematic sampling was recently completed. This phase of surface exploration returned encouraging results from both surface and underground sampling from multiple high grade structures. High grade gold, silver and variable copper mineralization suggests multiple prospective epithermal targets and extensions to historically producing mines. Revolution is planning a core drilling program for the second quarter of 2012.

At the newly identified Cazadores prospect, an initial grab sample of a mineralized structure with copper and silver oxide and sulphide minerals returned 11.3% Cu and 2,170 g/t Ag, with recent grab sampling results assayed 1.99% Cu, 630 g/t Ag and 1.07 g/t Au, 271 g/t Ag. At the San Fernando prospect, a chalcopyrite-rich grab sample from the middle of a historic adit assayed 21.9 g/t Au, 14.2 g/t Ag and 5.7% Cu. Follow-up underground sampling at San Fernando returned channel assays of 9.14 g/t Au, 1.63% Cu; 7.11 g/t Au, 2.24% Cu and 4.13 g/t Au, 1.13% w Cu. The Golondrina vein system has been expanded along surface by recent grab and chip sampling with values of 12.85 g/t Au, 1.47 g/t Ag, 0.3% Cu; 7.95 g/t Au, 10.80 g/t Ag, 0.6% Cu and 12.90 g/t Au, 8.75 g/t Ag, 0.4% Cu. A grab sample collected on a historic mine dump at the Caballero Azteca vein assayed 4.51 g/t Au and 4.6 g/t Ag.

Recent underground channel sampling at the Carmen Mine has confirmed the historic underground grades of the main vein with assay results of 1.10 g/t Au, 3.11 g/t Ag, 3.37% Cu; 0.90 g/t Au, 7.97 g/t Ag, 1.3% Cu and 2.4 g/t Au, 0.98 g/t Ag, 0.47 % Cu. Recent surface exploration at the Carmen Mine consisted of follow-up surface grab and chip sampling, covering 800 meters of strike length, returning results of 9.32 g/t Au, 5.45 g/t Ag, 1.49% Cu; 13.45 g/t Au, 12.90 g/t Ag, 3.90 % Cu; 4.46 g/t Au, 293.0 g/t Ag, 6.77 % Cu and 1.07 g/t Au, 118.0 g/t Ag, 7.77% Cu. These recent results they trace an unmined and undrilled section of the Carmen mineralized system.

The Carmen deposit produced approximately one million tonnes of ore grading 2.5% Cu, 2.9 g/t Au and 2.8 g/t Ag between 1947 and 1958 from a vertical vein system developed on the property. *A qualified person has not done sufficient work to classify the historical estimate as current mineral resources. The Company is not treating the historical estimate as current mineral resources and the historical estimate should not be relied upon.* Multiple mineralized veins have been identified near the historic workings and can be traced on surface. The veins appear to be vertically zoned with greater gold-silver values in the upper levels of the mine grading progressively deeper into high grade copper mineralization. Individual veins are subvertical and typically 1 to 3 metres in width and developed in an en echelon fashion within the host structure.

The Company recently commissioned a Land Satellite-Aster study of the La Bufa property to help focus future exploration efforts and generate new targets.

### Universo

The Universo project drilling, during the second quarter, totaled 1272.4 meters in 9 core holes (Table 1 below) where exploration focused on the Cinco Estrellas target. The Cinco Estrellas underground mine has a reported (non-compliant, NR43-101) historic production of roughly 6,400 tons of 4g/t Au and 200g/t Ag. Part of the drilling by Revolution Resources targeted the down dip and lateral extension of our high grade Au and Ag underground samples within the Cinco Estrellas mine.

Table 1: Universo Drill Hole Collar Information

Drill Hole #	UTM_E	UTM_N	Elevation_m	Azimuth	Inclination	Depth_m	Started	Ended
UNN12-008	276858	2594844	2150m	230°	-55	122.00	5/25/2012	5/28/2012
UNN12-009	276861	2594844	2150m	230°	-55	152.50	5/28/2012	5/30/2012
UNN12-010	276857	2594844	2150m	220°	-55	146.40	5/30/2012	6/1/2012
UNN12-011	276861	2594847	2150m	245°	-55	143.35	6/1/2012	6/3/2012
UNN12-012	276749	2594966	2151m	255°	-45	152.50	6/3/2012	6/6/2012
UNN12-013	276720	2595034	2152m	265°	-45	137.81	6/6/2012	6/8/2012
UNN12-014	276721	2595034	2152m	265°	-65	125.05	6/8/2012	6/10/2012
UNN12-015	276808	2594929	2151m	225°	-55	152.50	6/10/2012	6/12/2012
UNN12-016	276901	2594772	2149m	240°	-45	140.30	6/12/2012	6/15/2012

Univero project core drilling started in late May and ended in mid-June. Core holes were drilled to depths of 122m to a maximum of 152.5m. Core logging, cutting, and sampling was conducted on site next to the Cinco Estrellas mine. All core is stored either within one of two 20' sea containers or on pallets covered by plastic. A large fence encircles the logging facility and 24 hour security is provided by a local watchman.

Drilling results indicate gold and silver mineralization is within the Cinco Estrellas structure, within the hanging wall silicified limestone, and weakly distributed well into the footwall sediments. The highest grade intercept is 0.97m of 42.4g/t Au with 68.2g/t Ag starting at 74.88m in hole UNN12-010. Gold and occasionally silver are also found within the caliche overburden in some holes with significant intercepts such as 0-10.65m of 1.22g/t Au and 2.31g/t Ag in hole UNN12-014. Significant results from the Univero drilling include Table 2 below.

Table 2: Significant results, second quarter drill holes

Hole #	From_m	To_m	Int_m	Au_ppm	Ag_ppm
UNN12-009	64.88	70.75	5.87	0.03	29.33
UNN12-009	66.2	68.44	2.24	0.016	58.75
UNN12-009	99.5	100.45	0.95	0.8	2.37
UNN12-010	63.98	76.87	12.89	5.42	26.18
UNN12-010	74.88	78.83	3.95	17.97	54.8
UNN12-010	74.88	75.85	0.97	42.4	68.2
UNN12-011	69.7	79.65	9.95	0.012	10.3
UNN12-012	0	16.8	16.8	0.597	14.17
UNN12-012	69.71	88.45	18.74	0.075	9.82
UNN12-012	83.85	88.45	4.6	0.128	19.94
UNN12-013	0	14.92	14.92	0.337	1.59
UNN12-013	37.79	64.05	26.26	0.027	21.46
UNN12-013	46.87	58.65	11.78	0.04	34.86
UNN12-013	69.57	73.2	3.63	0.104	5.84
UNN12-013	89.5	90.7	1.2	0.278	1.19
UNN12-014	0	10.65	10.65	1.22	2.31
UNN12-014	22.27	27.24	4.97	0.011	12.18
UNN12-014	50.3	70.15	19.85	0.04	11.8
UNN12-014	92.67	97.6	4.93	0.134	4.25
UNN12-015	3.05	6.1	3.05	0.325	9.57
UNN12-016	73.2	78.25	5.05	0.021	17.94
UNN12-016	86.58	90.93	4.35	1.31	18.22
UNN12-016	89.39	90.93	1.54	3.61	16.5

During the second quarter, widespread reconnaissance was conducted at Univero with surface sampling and cursory geologic mapping at the following targets: Chiqui, Southwest Cinco Estrellas, El Anillo, Salitrillo, Los Reyes, La Perdida, and SW Soils. Results of this sampling are under review, but several interesting geochemical anomalies have been identified for further work. Detailed underground sampling was undertaken within the Cinco Estrellas mine commencing at the surface to the lowest levels of the mine. This work resulted in the accumulation of 206 samples in all networks of the underground workings. Analysis of the data show widespread gold and silver mineralization not only within the main structure, but also within the hanging-wall and footwall rocks to the Cinco Estrellas structure. The highest grade sample to date on the property was collected from the underground workings, a 30cm wide quartz and calcite vein that contains 566g/t Au. Another sample from near the deepest level of the mine contains 81.2g/t Au and greater than 10,000g/t Ag. Visible native gold and silver chloride was observed in several of the underground samples.

At the request of SEMARNAT, Revolution Resources commenced widespread reclamation of late 2011 and early 2012 drill disturbance. This work has been completed though will continue to be monitored to

ensure complete restoration. As this part of the Altiplano has numerous sensitive plant species, care is being taken to ensure for the protection of protected plants through the guidance of Minera Cascabel's Environmental department.

The 350,000 hectare Universo property is centered at the heart of a 300 kilometer long trend of significant precious and base metal mines and deposits. The property is located to the south of the Camino Rojo gold-silver discovery (Canplats Resources Corporation, recently purchased by Goldcorp Inc.) and Goldcorp's Penasquito gold-silver-lead-zinc mine. The Charcas Mine, operated by Grupo Mexico's and is the country's largest zinc mine, is located twenty kilometers to the southeast of Universo. New Gold's Cerro San Pedro gold-silver mine is located 100km further south. Despite Universo's strategic location, only limited modern exploration has been performed; the last known drilling being 18 years ago.

Revolution is taking a systematic approach to explore this extensive land package. Universo hosts multiple styles of mineralization including epithermal, sediment hosted/Carlin style and polymetallic epigenetic. Gold mineralization occurs within jasperoid silicified limestone sequences along regional scale fault structures, as well as within low sulphidation epithermal quartz vein systems. The company recently completed a soil survey with 300 by 500 meter sample stations, covering over 200,000 hectares. A total of 13,844 were collected. Additionally, property wide surface mapping and rock chip sampling, as well as detailed IP geophysical surveys were completed.

Recently, an extensive underground sampling program was completed at the Cinco Estrellas Mine in the Navarro area. A total of 189 channel samples were collected from all seven underground mine levels. Channel samples ranged in length from 0.5 to 1.5 meters, with an average of twenty samples being collected from each level. Returned gold assays ranged from 0.002 g/t Au to 566.0 g/t Au with an average of 6.88 g/t Au for the program. Returned silver assays ranged from 0.19 g/t Ag to 10001 g/t Ag with an average of 121 g/t Ag for the program.

Initial drilling will test multiple targets on the Universo property, including step-out drilling from historic producers. Core drilling will explore multiple targets, including the Cinco Estrellas and Esquivel mines in the Navarro area, as well as multiple other nearby areas covered by shallow overburden. The La Perdida zone, located 12 kilometers northwest of Navarro, has widespread silicified limestones (jasperoid) as envelopes to several high-level epithermal-style quartz veins. Undrilled targets during this initial drilling phase also include several sediment hosted targets. All of these targets are typified by extensive areas (hundreds of meters to kilometers) of anomalous veining and jasperoid mineralization. Gold values range from 0.1 to 7.76 g/t, as well as significant local silver values.

The Company is also completing extensive community and local stakeholder dialogue in the Universo area, which includes surface access agreements recently signed with multiple Ejido groups.

Revolution's 2012 exploration program at Universo will be completed under the supervision of Robert McLeod, P.Ge and Director of Revolution, and Linus Keating, D.Sc, CPG, both Qualified Persons as defined by NI 43-101. Drill cores will be cut in half using a diamond saw, with one half placed in sealed bags, and delivered to ALS-Chemex or Activation Laboratories facilities. A sample quality control/quality assurance program utilizing standards and blanks, as well as third-party check labs will be implemented.

## **Champion Hills, North Carolina**

### **Property Description, Area and Location**

All Champion Hills properties are located in the Cid mining district in central North Carolina. Silver Hill and Silver Valley are located in eastern Davidson County, and Loflin, Jones Keystone, Hoover Hill and Jerico Hill are located in west-central Randolph County. All properties are located within a 35 kilometer trend, approximately 15 kilometers west from the town of Asheboro, NC and 85 kilometers northeast of Charlotte, NC. All properties are privately owned, and are currently under lease/purchase agreements with the Company. The agreements cover over 7000 acres within the Champion Hills Mineral Trend. Mineral

and surface rights are included in all lease/purchase agreements (with the exception if the Virgilina land package that is mineral rights only) and the Company has legal access to all properties.

### Property Acquisition

During fiscal 2011, the Company acquired, from a non-arm's length private company, a 90% interest in two option and lease agreements by issuing 2,000,000 common shares valued at \$930,000 and paying \$375,312 (US\$375,000). The Company has the right of first refusal on the remaining 10% after incurring US\$1,000,000 in exploration expenditures. To complement the initial acquisition, the Company entered into various additional option and purchase agreements during 2011. These option and purchase agreements are completed directly with property owners and entitle the Company to acquire 100% of these properties.

As of July 31, 2012, all option and purchase agreements held by the Company cover approximately 7,072 acres (April 30, 2012 – 7,122 acres) and require annual lease payments of US\$200 per acre over a five year term and US\$1 per foot drilled. The Company has the option to purchase or lease each land package based on the terms of the agreements. Upon commencement of commercial production the properties are subject to a NSR. Details pertaining to the option/purchase agreements are outlined in the table below.

Property	Effective & Payment due date	Area (acres)	First Year Signing \$	Annual \$ For Second Year	Purchase Option	Tax Parcel ID #	NSR
Loflin	August 17, 2010	28.00	5,600.00	5,600.00	150% FMV or US\$456,000 (which ever is greater)	6791097053	2%
Loflin	September 29, 2010	43.41	8,792.00	8,792.00	150% FMV or US\$281,085 (which ever is greater)	6781895202	2%
		0.55				6781996965	2%
Loflin	September 29, 2010	17.37	3,473.40	3,473.40	150% FMV or US\$100,320 (which ever is greater)	6791090403	2%
Loflin	October 18, 2010	20.37	4,074.40	4,074.40	150% FMV or US\$125,625 (which ever is greater)	6782805566	2%
Loflin	October 19, 2010	4.55	1,910.60	910.60	150% FMV or US\$162,090 (which ever is greater)	6781998854	2%
Loflin	December 11, 2010	7.31	6,462.40	1,462.40	150% FMV or US\$91,500 (which ever is greater)	6792003118	2%
Loflin	December 17, 2010	1.00	2,000.00	1,000.00	150% FMV or US\$116,130 (which ever is greater)	6782905613	2%
Loflin	January 15, 2011	45.21	11,290.00	9,290.00	150% FMV or US\$170,270 (which ever is greater)	6792019550	2%
Loflin		1.24				6792110990	2%
Loflin	July 12, 2011	7.10	25,000.00	2,660.00	\$255,240	6792007057	2%
		6.20				6791097703	2%

Property	Effective & Payment due date	Area (acres)	First Year Signing \$	Annual \$ For Second Year	Purchase Option	Tax Parcel ID #	NSR
Loflin	April 18, 2011	5.91	14,795.20	years 3 to 5 @\$ 6,397.60	150% FMV or Assessed Values per Agreement (whichever is greater)	6792001460	2%
		8.09				6792004501	2%
		17.22				6782919428	2%
		0.78				6782929269	2%
		1.63				6792217558	2%
Loflin	April 7, 2012	4.88	8,400.00	8,400.00	150% FMV or US\$275,850 (whichever is greater)	6792220128	2%
		0.60				6792221273	2%
		34.58				6792228878	2%
Jones-Keystone	August 10, 2010	163.88	32,775.40	32,775.40	150% appraised value	6792754441	2%
Jones-Keystone	January 29, 2011	55.97	15,208.00	12,208.00	150% FMV or US\$483,255 (which ever is greater)	6792632743	2%
		5.07				6792521431	2%
Jones-Keystone	January 29, 2011	98.57	22,714.00	19,714.00	150% FMV or US\$213,140 (whichever is greater)	6792540380	2%
Jones-Keystone	June 27, 2011	7.24	2,448.00	1,448.00	AMR \$400/ac after Year 5	6792578605	2%
Jones-Keystone	August 3, 2011	26.57	17,900.00	14,400.00	150% FMV or US\$426,750 (whichever is greater)	6792836014	2%
		10.82				6792737203	2%
		34.61				6792922757	2%
Jones-Keystone	August 25, 2011	76.00	18,000.00	12,500.00	150% FMV or US\$168,000 (which ever is greater)	6792249754	2%
Jones-Keystone	September 26, 2011	20.00	2,000.00	4,000.00	150% FMV or US\$63,940 (which ever is higher)	6792354755	2%
Jones-Keystone	November 2, 2011	16.15	5,230.00	3,230.00	150% FMV or US\$	6792818797	2%
Hoover Hill	February 25, 2011	178.01	300,000.00	Year 1 through 4 paid Year 5 = \$100K	150% appraised value or US\$910,644 (whichever is higher) + \$28,900/"lot"	7713307024	2%
		19.01				7712190481	2%
		15.15				7712295185	2%
		20.21				7713104253	2%
Hoover Hill	April 5, 2011	96.48	19,472.00	14,472.00	150% FMV or US\$293,510 (which ever is greater)	7703905465	2%
Hoover Hill	April 15, 2011	274.60	44,640.00	44,640.00	150% FMV or US\$997,610 (which ever is greater)	7722082111	2%
		23.00				7712868771	2%
Jerico Hill	February 10, 2011	31.66	8,331.00	6,331.00	150% FMV or US\$400,000 (which ever is greater)	7723302820	2%
Jerico Hill	May 18, 2011	182.22	36,444.00	27,333.00	5 year Option then annual AMR lease paym'ts of \$200/acre	7723115516	2%

Property	Effective & Payment due date	Area (acres)	First Year Signing \$	Annual \$ For Second Year	Purchase Option	Tax Parcel ID #	NSR
Jerico Hill	June 15, 2011	5.67	3,134.00	1,134.00	150% FMV or US\$ (whichever is greater)	7722390904	2%
Jerico Hill	July 22, 2011	8.28	5,312.00	1,656.00 Start Year 3	3 year option, Year 1 & 2 Paid in advance; 150% FMV or US\$37,260 (greater of)	7722398500	2%
Jerico Hill NE	October 12, 2011	30.00	8,000.00	6,000.00	150% FMV or US\$160,850 (which ever is greater)	7723461463	2%
						7723467663	2%
Jerico Hill NE	March 8, 2011	452.14	147,058.00	147,058.00	150% FMV or US\$2,525,440 (which ever is greater)	7723725665	2%
		272.67				7723965676	2%
		10.48				7733068036	2%
Jerico Hill NE	April 14, 2011	35.95	12,162.00	9,162.00	150% FMV or US\$ (whichever is greater)	7723479226	2%
		25.13				7723363312	2%
Silver Hill	March 1, 2011 April 16, 2008	469.56	60,000.00	\$40,000 + 75K RR \$10,000	Option Agreement Shares + \$500K Work Lease Agreement	DB 993 PG 506	4%
Silver Valley	March 1, 2011 May 2, 2008	166.99	40,000.00	\$40,000 + 75K RR \$7,000	Option Agreement Shares & \$500K Work Lease Agreement	DB1634 PG1538	4%
Virgilina	March 1, 2011	3984.16	120,000.00	\$120,000 + 100K RR Shares & \$100K Work 1st Year	Lease Agreement	26 parcels	2%

#### *Silver Hill and Silver Valley*

During fiscal 2011 the Company entered into two separate letter agreements with a private company, Carolina Mineral Resources Inc. ("CMRI"), on properties known as the Silver Hill mine and the Silver Valley Mine, North Carolina.

Under the terms of the Silver Hill property agreement the Company can earn 100% of CMRI's rights to a mineral lease agreement for consideration of US\$220,000 and exploration expenditures totalling US\$2,500,000 paid in stages to March 2015 and the issuance 300,000 common shares in stages to March 2014. The Company is also required to issue 500,000 common shares upon completion of a positive, bankable feasibility study and an additional 500,000 common shares upon commencement of commercial production. The property is subject to a 4% NSR. During the year ended October 31, 2011, the Company issued 75,000 common shares valued at \$44,250 and paid \$59,146 (US\$60,000). During the period ended July 31, 2012, the Company issued an additional 75,000 common shares valued at \$25,875, paid \$40,000 and completed the first tranche of exploration expenditures totalling US\$500,000.

Under the terms of the Silver Valley mine agreement the Company can earn 100% of CMRI's rights to a mineral lease agreement for consideration of US\$200,000 and exploration expenditures totalling US\$2,500,000 paid in stages to March 2015 and the issuance of 300,000 common shares in stages to March 2014. The Company is also required to issue 500,000 common shares upon completion of a positive, bankable feasibility study, and an additional 500,000 common shares upon commencement of commercial production. The property is subject to a 4% NSR. During the year ended October 31, 2011, the Company issued 75,000 common shares valued at \$44,250 and paid \$39,430 (US\$40,000). During the period ended

July 31, 2012, the Company issued an additional 75,000 common shares valued at \$25,875, paid \$40,000 and completed the first tranche of exploration expenditures totalling US\$500,000.

#### *Jerico Hill*

During fiscal 2011 the company entered into eight option agreements in the Jerico Hill area, Randolph County, North Carolina, one of which has been terminated. Of the seven current agreements, six of the agreements, the company has a 5 year option to purchase (6 agreements) or lease (1 agreement) each land package. The purchase options are at 150% of the appraised value or a certain fixed price, whichever is greater. The lease agreement payments are \$200/acre. The remaining agreement is a 3 year contract with the first two years paid in advance and a purchase option of 150% of the appraised value or a certain fixed rate. The initial signing costs for this land package totalled US\$226,241. No shares, options or warrants were included in any of the agreements. Details of these seven agreements are included in the table above.

#### *Jones Keystone and Loflin*

During fiscal 2011, the Company acquired, from a non-arm's length private company, a 90% interest in two option and lease agreements by issuing 2,000,000 common shares valued at \$930,000 and paying \$375,312 (US\$375,000). The Company has the right of first refusal on the remaining 10% after incurring US\$1,000,000 in exploration expenditures. These option and lease agreements included the Jones Keystone and Loflin Mine properties. Since this acquisition the Company has completed ten additional option and purchase agreements to expand on the initial land package, one of which has been terminated. All agreements are a 5 year term, with the option to purchase nine of the properties for 150% of the appraised value or a certain fixed rate. The initial signing costs for this land package totalled US\$123,295.20. No shares, options or warrants were included in any of the agreements. Details of these agreements are included in the table above.

During the time period of January 31, 2012 through July 31, 2012 the Company completed one additional option and purchase agreement, expanding the Jones Keystone and Loflin land package. The agreement is a 5 year term, with the option to purchase the property for 150% of the appraised value or a certain fixed rate. The initial signing costs for this land package totalled US\$8400.00. No shares, options or warrants were included in this agreement. Details of the agreement are included in the table above.

#### *Virgilina*

During fiscal 2011 the Company entered into an option agreement on the Virgilina copper property located in North Carolina and Virginia. The Company can earn a 100% interest in the property for consideration of US\$600,000 and exploration expenditures totalling US\$1,500,000 paid in stages to March 2015 and the issuance of 400,000 common shares in stages to March 2014. The Company is also required to issue 500,000 common shares upon completion of a positive, bankable feasibility study and an additional 500,000 common shares upon commencement of commercial production. During the year ended October 31, 2011, the Company issued 100,000 common shares valued at \$59,000 and paid \$118,291 (US\$120,000). During the period ended July 31, 2012, the Company issued an additional 100,000 common shares valued at \$34,500, paid \$120,000 and completed the first tranche of exploration expenditures totalling US\$100,000.

#### *Hoover Hill*

During fiscal 2011 the Company entered into an option and purchase agreement on the Hoover Hill mine property, North Carolina. The Company has a four year option to purchase each land package for the greater of 150% of the appraised value or a certain fixed price. The Company paid \$295,680 (US\$300,000) on signing and issued 100,000 share purchase warrants with a fair value of \$38,775. The option can be extended for an additional year for US\$100,000. Each warrant entitles the holder to one common share at an exercise

price of \$0.75 for a period of four years. The fair value of these warrants was estimated using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 1.87%; dividend yield 0%; volatility of 100%; and an expected life of 3 years. The Company paid other acquisition costs of \$104,548. The property is subject to a 2% NSR, of which one-half (1%) may be purchased for US\$1,000,000.

### **Exploration by Revolution Resources Corp. Champion Hills North Carolina USA**

Following the completion of the Phase I and II drill programs in 2010-early 2011, Revolution completed an additional 10,000 meters of drilling at Champion Hills. This phase of drilling was completed on the Loflin, Jones Keystone, Jerico Hill, Silver Valley and Silver Hill properties; focusing on areas of historic mining and drilling. Results from this drill program confirmed a significant gold mineralized system with geological similarities to mines and deposits in the Carolina Slate Belt. Jones Keystone and Loflin lie at the heart of the Champion Hills trend, with the Jerico Hill and Hoover Hill prospects about eight kilometers northeast and the Silver Valley and Silver Hill properties being located 15 kilometers southwest. All properties are within of the prospective regional Champion Hills Mineral Trend. This most recent Phase of work at Champion Hills also included re-logging and select re-sampling of historical core, digital compilation and review of historical data, an extensive soil geochemical sampling program and geological mapping throughout the trend.

During the winter of 2012 an extensive soil geochemistry sampling program was carried out on the Virgilina land package. Results from this program confirmed the presence of copper +/- gold +/- silver mineralization on the leased mineral rights. Soil sampling on the newly acquired land at Jones Keystone and Loflin, as well as a detailed sampling program of the tailings at Silver Hill were also conducted during winter 2012. Continued data compilation, target generation and program planning was carried out during the spring of 2012.

### **Select Champion Hills Drill Intercepts**

#### **Select Loflin and Jones Keystone Drill Intercepts**

<b>Hole-ID</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)</b>	<b>Au (g/t)</b>
<b>LF10-017</b>	26.0	96.0	70.0	1.10
<i>including</i>	26.0	46.0	20.0	2.19
	88.0	96.0	8.0	3.05
<b>LF10-018</b>	14.0	88.0	74.0	1.12
<i>including</i>	36.0	66.0	30.0	2.59
<b>JK11-017</b>	28.0	132.0	104.0	1.27
<i>including</i>	80.0	94.0	14.0	3.03
<b>JK11-026</b>	104.0	130.0	26.0	0.96
<i>including</i>	122.0	130.0	8.0	1.49
<b>JK11-027</b>	120.0	144.0	24.0	0.84
<i>including</i>	126.0	144.0	18.0	1.01
<b>JK11-028</b>	140.0	152.0	12.0	0.94

**Select Silver Hill and Silver Valley Drill Intercepts**

Hole-ID	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	Cu %	Pb %	Zn %
<b>SH11-01</b>	287.0	290.0	3.0	0.19	3.53	0.13	0.14	4.78
	295.0	303.0	8.0	1.60	11.59	0.58	0.42	1.12
<i>including</i>	295.0	296.0	1.0	5.69	35.60	4.20	0.01	0.62
<b>SH11-02</b>	232.0	234.0	2.0	3.39	18.00	0.33	0.89	10.26
<i>including</i>	233.0	234.0	1.0	6.58	22.80	0.57	0.20	6.66
	238.0	242.0	4.0	1.39	37.28	0.10	4.66	8.47
<i>including</i>	241.0	242.0	1.0	2.80	106.00	0.33	13.45	22.40
<b>SV11-01</b>	14.0	22.0	8.0	0.61	21.11	0.05	0.86	1.21
<b>SV11-04</b>	78.0	80.0	2.0	0.22	62.90	0.05	0.35	0.53

**Select Jerico Hill Drill Intercepts**

Hole-ID	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)
<b>JH11-001</b>	28.5	51.0	22.5	6.10	258.65
<i>including</i>	43.1	51.0	7.9	16.06	698.66
<i>including</i>	47.0	48.5	1.5	56.60	2430.00

These are estimated to be between 70% and 90% true widths.

Refer to the Technical Reports, and Annual Information Form at [www.sedar.com](http://www.sedar.com) for more information. Detailed expenditures for the period are included in the condensed consolidated interim financial statements for the period ended July 31, 2012.

**Future Exploration Plans**

Champion Hills - The Company's future exploration programs will focus on surface based testing of gold, silver and base metal mineralization and continued drilling on the Champion Hills Project, North Carolina.

Mexico - The Company's 2012 exploration programs will dominantly focus on continued drilling, a broad soil survey, IP survey and surface mapping at the Universo and Montana de Oro properties.

*Rob McLeod, P. Geo., a Qualified Person under the meaning of Canadian National Instrument 43-101 and an Officer of the Company, is responsible for the technical content of this Management Discussion and Analysis.*

*Summary of Quarterly Results*

	Three Month Period Ended			
	July 31, 2012	April 30, 2012	January 31, 2012	October 31, 2011
	\$'000	\$'000	\$'000	\$'000
Total Assets	\$21,893	\$22,357	\$17,415	\$16,210
Mineral Properties	19,210	17,195	13,863	7,784
Working Capital	1,511	3,515	1,643	8,001
Shareholders' Equity	21,432	21,649	17,045	15,799
Net Loss	(455)	(742)	(839)	(6,287)
Loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.11)

	Three Month Period Ended			
	July 31, 2011	April 30, 2011	January 31, 2011	October 31, 2010
	\$'000	\$'000	\$'000	\$'000
Total Assets	\$18,179	\$19,217	\$11,473	\$10,623
Mineral Properties	11,684	10,398	8,044	5,851
Working Capital	5,568	7,778	2,652	4,157
Shareholders' Equity	17,564	18,481	11,002	10,315
Net Loss	(1,054)	(1,716)	(645)	(481)
Loss per share	\$ (0.02)	\$ (0.03)	\$ (0.02)	\$ (0.01)

The variability in Revolution's net loss over the last the eight quarters resulted primarily from the changing levels in capital expenditures, share-based payments, finance charges, and office and administrative expenses. Changing levels in capital expenditures expenses and general and administrative costs fluctuate independently according to exploration activities and corporate activities including shareholder communication. The Company discontinued active exploration at its Nuukfjord property in Greenland resulting in a significant write-down in the three months ended October 31, 2011 and acquired an option to acquire an interest in a significant portfolio of properties in Mexico resulting in a significant increase in exploration activity for the three months ended July 31, 2012 and April 30, 2012.

**Results of Operations**

The financial statements reflect the financial condition of the Company's business for quarter ended July 31, 2012.

*Three Months Ended July 31, 2012*

During the three month period ended July 31, 2012 the Company incurred a loss of \$454,978 as compared to a loss of \$1,053,815 for the period ended July 31, 2011. These losses include non-cash-based deductions for depreciation of \$1,081 (2011 - \$974), and share-based payments of \$190,278 (2011 -\$134,002). Excluding non-cash-based deduction, the loss for the three month period ended July 31, 2012 was \$263,619 compared to \$918,839 for the period ended July 31, 2011.

Significant expenditures include office and miscellaneous \$86,804 (2011 - \$48,203), management fees \$75,000 (2011 - \$45,000), and professional fees \$60,530 (2011 - \$45,728). Additionally, there were significant decreases in consulting fees to \$17,588 from \$31,000, investor relations and shareholder communications to \$27,487 from \$484,696 and travel expense to \$45,184 from \$181,555 as compared to the prior period as the Company works to manage its working capital resources.

Generally, over the three month period ended July 31, 2012, the Company's efforts have been focused toward developing its Mexico Property portfolio.

#### *Nine Months Ended July 31, 2012*

During the nine month period ended July 31, 2012 the Company incurred a loss of \$2,036,327 as compared to a loss of \$3,414,407 for the period ended July 31, 2011. These losses include non-cash-based deductions for depreciation of \$3,242 (2011 - \$1,922), and share-based payments of \$327,312 (2011 - \$860,464). Excluding non-cash-based deduction, the loss for the period ended July 31, 2012 was \$1,705,773 compared to \$2,552,021 for the period ended July 31, 2011.

Significant expenditures include office and miscellaneous \$302,280 (2011 - \$149,059), management fees \$305,000 (2011 - \$210,000), and professional fees \$276,347 (2011 - \$179,461). The Company realized an increase in office and miscellaneous expenses and management fees due to increased costs due to the significant operations in Mexico. Professional fees have increased over the comparative period as the Company has required additional services in legal and tax advice pursuant to the Mexico Property agreement. Additionally, there were significant decreases in consulting fees to \$69,988 (2011 - \$228,500), investor relations and shareholder communications \$307,796 (2011 - \$1,209,200), property investigation costs \$114,663 (2011 - \$172,929), and travel \$247,180 (2011 - \$354,322) as the Company has focussed operations on the development of its Mexico Property portfolio.

#### **Liquidity and Capital Resources**

Revolution's mineral exploration and development activities do not provide a source of income and the Company therefore has a history of losses, working capital deficiencies and an accumulated deficit. The Company's financial success is dependent on management's ability to raise money and to discover economically viable mineral deposits. Given the nature of the Company's business, the results of operations as reflected in the net losses and losses per share do not provide meaningful interpretation of the Company's valuation.

**Operating Activities:** The Company does not generate cash from operating activities. Net cash used by the Company for operating activities for the period ended July 31, 2012 was \$2,176,925 compared to \$2,613,180 for the period ended July 31, 2011.

**Investing Activities:** Revolution's capital assets include equipment and its interests in the Mexico property portfolio and the Champion Hills property in North Carolina. Cash used by the Company in investing activities on exploration and evaluation assets for period ended July 31, 2012 was \$8,973,595 compared to \$4,388,238 for the period ended July 31, 2011. Additionally, the Company used \$700,246 (2011- \$Nil) toward exploration advances on the Mexico property.

**Financing Activities:** During the period ended July 31, 2012, the Company completed a private placement and generated \$5,767,250 in cash inflows and incurred cash expenditures of \$631,134 in share issue costs. During the period ended July 31, 2011, the Company received net cash inflows of \$9,331,025 from the issuance of capital stock from a private placement and the exercise of stock options and broker warrants. Share capital activities in this period resulted in cash expenditures on share issue costs of \$644,548. The Company has financed its operations and capital investments to date primarily through the issuance of common shares and loans payable.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money from equity sales and from the exercise of convertible securities. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control.

The consolidated financial statements for the period ended July 31, 2012 do not reflect adjustments, which could be material, to the carrying value of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

### Off-Balance Sheet Arrangements

At July 31, 2012, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

### Contractual Obligations

The Company does not have any contractual obligations over the next five years. Payments under its mineral property agreements are optional.

### Outstanding Share Data

As at the date of this report, the Company had an unlimited number of common shares authorized for issuance with 90,040,790 common shares issued and outstanding.

The Company has the following incentive stock options and warrants outstanding at the date of this report:

	Number	Exercise price	Expiry date
<b>Stock options</b>			
	100,000	\$ 0.80	April 12, 2013
	225,000	0.80	May 15, 2014
	2,300,000	0.50	April 27, 2015
	1,165,000	0.70	February 15, 2016
	150,000	0.80	May 11, 2016
	330,000	0.70	June 15, 2016
	150,000	0.50	October 25, 2016
	1,175,000	0.43	February 1, 2017
<b>Warrants</b>			
	8,481,250	\$ 0.60	October 3, 2013
	4,500,000	0.75	October 18, 2015
<b>Brokers Warrants</b>			
	120,000	\$ 0.60	October 18, 2012
	1,187,375	0.60	October 3, 2013
<b>Special Warrants</b>			
	100,000	\$ 0.75	March 15, 2015

**Related Party Transactions**

During the period ended July 31, 2012, the Company:

- a) Paid or accrued management fees of \$185,000 (2011 - \$210,000) to Aaron Keay, CEO and director of the Company and \$120,000 (2011 - \$Nil) to Robert McLeod, VP Exploration and director of the Company.
- b) Paid or accrued geological consulting fees of \$Nil (2011 - \$28,750) to Michael Moore, a former officer of the Company.
- c) Paid or accrued professional fees of \$50,000 (2011 - \$75,000) to Jonathan Richards, CFO and Shoni Bernard, former Corporate Secretary of the Company.
- d) Paid or accrued consulting fees of \$60,000 (2011 - \$185,000) to directors Michael Williams and Robert McLeod and former director Bryan Slusarchuk.
- e) Paid or accrued promotional fees of \$Nil (2011 - \$39,837) to General Research GmbH, a company controlled by Georg Hochwimmer, a director of the Company.

Share-based payment expense for the period ended July 31, 2012 included compensation to directors and officers of \$227,985 (2011 - \$165,248) for stock options vesting during the period.

Included in accounts payable is \$7,195 (October 31, 2011 - \$117,622) due to directors and officers of the Company.

During the year ended October 31, 2011, the Company entered into an agreement with certain directors to offset loans receivable (Note 4) with amounts payable under the Champion Hills purchase and sale agreement pursuant to the acquisition of an interest in certain option agreements from a non-arm's length private company (Note 6).

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

The Company operates from the premises of a group of public and private companies with common directors. Certain companies provide geological consulting and office and administrative services to the Company and various other public companies. Included in accounts payable and accrued liabilities is \$Nil (October 31, 2011 - \$29,147) due to a related private company. During the period, the Company paid or accrued \$292,959 (2011 - \$449,420) for geological consulting, and \$127,892 (2011 - \$40,027) for office and administrative expenditures.

A private company controlled by a director of the Company provides management and professional services to public companies. During the period ended July 31, 2012, the Company paid or accrued \$44,000 (2011 - \$Nil) for investor relations services, \$49,665 (2011 - \$Nil) for accounting services and \$23,379 (2011 - \$Nil) for administration expenses.

***Proposed Transactions***

The Company continues to investigate and enter into further option and purchase agreements in the Champion Hills area with terms consistent with Note 6 of the condensed consolidated interim financial statements for the period ended July 31, 2012.

### ***Changes in Accounting Policies including Initial Adoption***

The Company has adopted International Financial Reporting Standards (IFRS) effective November 1, 2011 with a transition date of November 1, 2010. For further details, please refer to notes 3 and 13 of the July 31, 2012 condensed consolidated interim financial statements.

#### ***New accounting standards***

##### **New standards not yet adopted**

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended October 31, 2012:

- IFRS 9                      New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets<sup>(iii)</sup>
- IFRS 10                     New standard to establish principles for the presentation and preparation of consolidated financial statements when an entity controls multiple entities<sup>(i)</sup>
- IFRS 11                     New standard to account for the rights and obligations in accordance with a joint agreement<sup>(i)</sup>
- IFRS 12                     New standard for the disclosure of interests in other entities not within the scope of IFRS 9/IAS 39<sup>(i)</sup>
- IFRS 13                     New standard on the measurement and disclosure of fair value<sup>(i)</sup>
- IAS 1 (Amendment)      Presentation of other comprehensive income<sup>(ii)</sup>
- IAS 28 (Amendment)    New standard issued that supersedes IAS 28 (2003) to prescribe the accounting for investments in associates and joint ventures<sup>(i)</sup>

(i)      Effective for annual periods beginning on or after January 1, 2013

(ii)     Effective for annual periods beginning on or after July 1, 2012

(iii)    Effective for annual periods beginning on or after January 1, 2015

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

#### ***Critical Accounting Policies and Estimates***

Revolution's accounting policies are described in Notes 2 and 3 of its condensed consolidated interim financial statements for the period ended July 31, 2012. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of our consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

- Use of estimates

The preparation of these condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates.

These condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The most significant estimates relate to the valuation of deferred income tax amounts, impairment testing and the calculation of share-based payments. Share-based payments, as measured with respect to stock options granted, are estimated by reference to the Black-Scholes pricing model; a detailed disclosure of management's estimates with respect to the pricing model is found in note 7. The Company has reviewed its exploration and evaluation assets for indications of impairment and determined that there is no such indication. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

The most significant judgments relate to the recoverability of capitalized amounts, recognition of deferred tax assets and liabilities and the determination of the economic viability of a project.

- Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operations and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting periods, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of comprehensive loss.

- Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring licenses and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. All costs related to the acquisition of mineral properties are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the statement of comprehensive loss. The Company expenses costs related to the exploration and development of mineral properties as they are incurred.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

- Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

If and when the stock options are exercised, the applicable amounts of reserves are transferred to share capital.

- **Income taxes**

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

### ***Financial Instruments and Risk Management***

#### *Financial Instruments*

Cash and cash equivalents is carried at fair value using a level 1 fair value measurement. The carrying value of short-term investments, receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. Loans receivable are long-term and are recorded at amortized cost.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

#### *Risk Management*

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial

assets including cash and equivalents and short-term investments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2012, the Company had a cash and cash equivalents and short-term investments balance of \$1,524,409 to settle current liabilities of \$460,861.

#### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

##### a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and cash equivalents and short-term investments balances. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at July 31, 2012, the Company did not have any investments in investment-grade short-term deposit certificates.

##### b) Foreign currency risk

The majority of the Company's business is conducted in Mexico in Canadian dollars and Mexican pesos and in the USA in the US dollar. As such, the Company is exposed to foreign currency risk in fluctuations among the Canadian dollar, the Mexican peso and the US Dollar. Fluctuations in the exchange rate among the Canadian dollar, the Mexican peso and the US dollar may have a material adverse effect on the Company's business and financial condition. Fluctuations do not have a significant impact on operating results.

##### c) Price risk

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond control of the Company may affect the marketability of any minerals discovered. The price of gold has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the Company's control. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

#### ***Risk Factors***

Companies in the exploration stage face a variety of risks and investments are highly speculative. While unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions. Readers are referred to the Company's Annual Information Form, located on SEDAR at [www.sedar.com](http://www.sedar.com), for a full list of applicable risk factors.

## Evaluation of Disclosure Controls and Procedures

### *Disclosure Controls and Procedures*

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD & A and the related unaudited condensed consolidated interim financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under Canadian Securities Administration regulations, as at July 31, 2012. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

### *Internal controls over Financial Reporting*

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management is satisfied that the Company has adequate financial expertise, has conducted appropriate planning and research, has performed appropriate review and has involved the board of directors and audit committee to provide reasonable assurance over the reliability of financial reporting in the transition period.

During the nine month period ended July 31, 2012, the Company expanded its control framework to integrate key controls which provide oversight over expenditures and exploration on its new projects in Mexico. These controls include comprehensive budgeting with the VP of Exploration, local project management and the CFO as well as cash call and approval processes from head office over expenditures made in Mexico.

### *Limitations of Controls and Procedures*

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of Management Discussion & Analysis the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.