("Revolution" or "the Company")

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2011

Introduction

This management's discussion and analysis (MD&A) of Revolution Resources Corp. and its subsidiaries, Revolution Resources (NC) Inc, and Storgold Resources Ltd, is the responsibility of management and covers the year ended October 31, 2011. The MD&A takes into account information available up to and including January 26, 2012 and should be read together with the audited consolidated Financial Statements, notes and MD&A for the years ended October 31, 2011 and October 31, 2010. which are available on the SEDAR website at 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 Canadian generally accepted accounting principles (GAAP) and presented in Canadian dollars unless otherwise indicated.

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 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 begun 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, Mexico and Greenland. The Company has three 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 Financial Statements.

2. The Company has entered into an option agreement to acquire up to a 100% interest in the Montana de Oro Property and Universo Property located in Mexico. The combined Mexico property portfolio contains land totalling over 900,000 acres. In order to acquire an initial 60% interest, the Company will be required to issue common shares equal to 9.9% of the Company's issued and outstanding common shares, incur $35,000,000 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. 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 Annual Financial Statements.

3. The Company holds a 15% interest in the Nuukfjord project, Greenland. The Company acquired all the issued and outstanding shares of Storgold Resources Ltd. ("Storgold") which holds an option to acquire up to a 65% interest in a 1,277km^2 property located in the Nuuk Fjord area of southwest Greenland (the "Property") from NunaMinerals A/S ("Nuna") subject to the terms of an agreement more particularly described in the Financial Statements. Refer to the Property and Exploration Summary below for more information on the project.

Selected Annual Information

	Year Ended October 31, 2011	Year Ended October 31, 2010	Period from incorporation on July 14, 2009 to October 31, 2009
Income	$ -	$ -	$ -
Loss before other items	4,097,373	2,591,973	1,283,669
Loss and comprehensive loss	9,702,493	2,577,706	1,283,669
Basic and diluted loss per share	0.18	0.08	0.08
Mineral Property Interests	7,784,032	5,851,489	3,316,469
Total assets	16,210,036	10,622,804	4,195,596
Total long-term liabilities	-	-	-
Cash Dividends	-	-	-

Significant Events

Significant financial events during fiscal 2011 include, the Company:

- Completed a brokered private placement and issued 15,000,000 common shares at $0.60 per share for gross proceeds of $9,000,000. The Company paid $540,000 and issued 900,000 broker warrants as finder's fees. Each broker warrant entitles the holder to acquire one common share at a price of $0.80 for a period of one year. The Company paid other share issuance costs of $107,432.

- Completed a non-brokered private placement and issued 9,000,000 units at a price of \$0.50 per unit for proceeds of \$4,500,000. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share at a price of \$0.75 per share for a period of four years. The Company paid \$60,000, issued 120,000 brokers' warrants as finder's fees valued at \$17,616 and paid or accrued other share issue costs of \$33,283.
- Granted 2,180,000 stock options with a weighted average exercise price of \$0.71.
- Entered into additional agreements on the Champion Hills project and incurred exploration expenditures of \$5,199,051 during the year.
- Entered into a Letter Agreement and subsequently formalized an Option Agreement to acquire up to a 100% interest in the Montana de Oro and Universo projects located in Mexico.

Significant financial events during fiscal 2010 include, the Company:

- Issued for its IPO 18,000,000 shares at \$0.50 per share for gross proceeds of \$9,000,000. The Company paid \$630,000 and issued 100,000 common shares valued at \$50,000 as finders' fees and paid \$45,000 and issued 20,000 common shares valued at \$10,000 as a corporate finance fee. The Company also paid \$230,509 as other share issuance costs. The brokers were also given 1,260,000 brokers' warrants. Each warrant is exercisable at \$0.50 for one share for a period of two years.
- Completed a private placement and issued 1,012,500 shares at \$0.40 per share for proceeds of \$405,000.
- Granted 3,950,000 stock options valued at \$1,221,909.
- Incurred exploration expenditures of \$2,342,906 on the Nuukfjord project and earned an initial 15% interest in the property.
- Entered into agreements on the Champion Hills project and incurred exploration expenditures of \$172,987 during the year.

Performance Summary

The following is a summary of significant events and transactions that occurred during the quarter ended October 31, 2011, the Company:

1. Entered into a letter agreement with Lake Shore Gold Corp. ("Lake Shore") to acquire up to a 100% interest in the Universo, and Montana de Oro properties in Mexico. The letter agreement was superseded subsequent to year end by a formal option agreement.

   In order to acquire an initial 60% in the Mexican properties, the Company will be required to issue to Lake Shore common shares equal in number to 9.9% of the Company's issued and outstanding common shares within five business days of entering into a formal agreement, incur \$35,000,000 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, valued at a price per share equal to the volume-weighted average trading price ("VWAP") of the common shares of the Company for the five trading days ending on the trading date that is five trading days prior to the date of issuance of such common shares.

   The Company can acquire a 100% interest in either or both of Universo and Montana de Oro properties by completing National Instrument 43-101 compliant technical reports and satisfying certain additional terms, on or before August 31, 2017. Refer to the Company's audited annual financial statements for additional detail with respect to these terms.

   Please refer to the full news releases dated September 15, 2011 and December 14, 2011 on www.sedar.com for more information.

2. Commenced a 5,000 metre drill program at the Champion Hills project in North Carolina. The diamond drilling program will include 25 holes focused on the Jones Keystone and Loflin prospects where the Company has intersected thick sequences of near-surface gold mineralization. These two areas of historic mining are located along the same structural corridor, 1,500 meters apart. Both areas are open for expansion along strike as well as at depth. The Company intends to continue to demonstrate the size potential for the region through step out holes and infill drilling. Highlight holes from the Jones Keystone and Loflin properties include: 104.0 meters averaging 1.27 g/t Au, including 40.0 meters averaging 2.33 g/t, 54.0 meters averaging 1.56 g/t Au, including 28.0 meters averaging 3.01 g/t Au. Complete drill results, as well as collar location maps are available at www.revolutionresourcescorp.com.

   Please refer to the full news release dated October 6, 2011 filed on www.sedar.com for more information.

3. Completed a non-brokered private placement and issued 9,000,000 units at a price of $0.50 per unit for proceeds of $4,500,000. Each unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share at a price of $0.75 per share for a period of four years. The Company paid $60,000, issued 120,000 brokers' warrants as finder's fees valued at $17,616 and paid or accrued other share issue costs of $33,283.

   Please refer to the full news release dated October 19, 2011 filed on www.sedar.com for more information.

4. Announced the formation of a Technical Advisory Board to assist in the strategic planning and exploration programs. The members of the Technical Advisory Board are: Robert McLeod, Dr. Peter Megaw, Darin Wagner, Hugh Wilson and Joey Wilkins. For complete bios of each individual, please visit the Company's website at www.revolutionresourcescorp.com.

   Please refer to the full news release dated October 25, 2011 filed on www.sedar.com for more information.

5. Commenced diamond drilling at the Universo project, located in San Luis Potosi State, Mexico. Three drill rigs were deployed to perform 7,000 metres of core drilling.

   Please refer to the full news release dated November 23, 2011 filed on www.sedar.com for more information.

Property and Exploration Summary

Champion Hills, North Carolina

Property Description, Area and Location

Revolution has recently acquired the right to earn 90% (surface and mineral rights) of the private land covering the historical Jones-Keystone ("JK") and Lofflin gold prospects, within the noteworthy Carolina Slate Belt of the eastern United States. The company has right of first refusal on the sale of the remaining 10% interest. The Company has also entered into various other Option and Purchase Agreements in the area. The project area is located about 85 kilometres northeast of Charlotte NC, with Lofflin located 2.5 kilometres to southwest of Jones-Keystone. The properties have seen sporadic historical work in the 1800's, 1930's and early 1990's

Property Acquisition

During fiscal 2010 the Company entered into a purchase and sale agreement with a non-arm's length private company (controlled by Aaron Keay, Robert McLeod and Michael Williams). Under the terms of the purchase and sale agreement, the Company can acquire a 90% interest in two option and lease agreements for total consideration of 2,000,000 common shares and US$375,000 payable over a 9 month period. The Company has the right of first refusal on the remaining 10% after incurring US$1,000,000 in exploration expenditures. During the period ended July 31, 2011 the Company received TSX approval, issued 2,000,000 common shares and paid US$275,000. On completion of the purchase and sale agreement, the Company will be assigned 90% of the rights and obligations under the option and lease agreements on the two mineral properties.

The Company subsequently entered into various additional option and purchase agreements directly with the property owners which entitle the Company to acquire 100% of the properties. During the period the Company paid $367,270 (October 31, 2010 - $19,127) on signing.

As at October 31, 2011 the various option and purchase agreements discussed above cover approximately 1,900 acres (October 31, 2010 - 278 acres), 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 each land package for the greater of 150% of the appraised value or a certain fixed price. Upon commencement of commercial production the properties are subject to a 2% Net Smelter Returns Royalty ("NSR"). The property agreements are summarized in table 1 below.

Property	Area (acres)	First Year Signing $	Annual $ For Second Year	Purchase Option	Titles Held	NSR
Loflin	28.000	5,600.00	5,600.00	150% FMV or US$456,000 (whichever is greater)	Surface/Mineral	2%
Loflin	43.410	8,792.00	8,792.00	150% FMV or US$281,085 (whichever is greater)	Surface/Mineral	2%
Loflin	0.550				Surface/Mineral	2%
Loflin	17.367	3,473.40	3,473.40	150% FMV or US$100,320 (whichever is greater)	Surface/Mineral	2%
Loflin	20.372	4,074.40	4,074.40	150% FMV or US$125,625 (whichever is greater)	Surface/Mineral	2%
Loflin	4.553	1,910.60	910.60	150% FMV or US$162,090 (whichever is greater)	Surface/Mineral	2%
Loflin	1.000	2,000.00	1,000.00	150% FMV or US$175,196 (whichever is greater)	Surface/Mineral	2%
Loflin	7.312	6,462.40	1,462.40	150% FMV or US$91,500 (whichever is greater)	Surface/Mineral	2%
Loflin	1.000	2,000.00	1,000.00	150% FMV or US$116,130 (whichever is greater)	Surface/Mineral	2%
Loflin	45.210	11,290.00	9,290.00	150% FMV or US$170,270 (whichever is greater)	Surface/Mineral	2%
Loflin	1.240			150% FMV or US$141,370 (whichever is greater)	Surface/Mineral	2%
Loflin	7.100	25,000.00	2,660.00	$255,240	Surface/Mineral	2%

Property	Area (acres)	First Year Signing $	Annual $ For Second Year	Purchase Option	Titles Held	NSR
Loflin	6.200				Surface/Mineral	2%
Loflin	5.906	14,795.20	years 3 to 5 @$ 6,397.60	150% FMV or Assessed Values per Agreement (whichever is greater)	Surface/Mineral	2%
Loflin	8.090				Surface/Mineral	2%
Loflin	17.216				Surface/Mineral	2%
Loflin	0.776				Surface/Mineral	2%
Jones-Keystone	163.877	32,775.40	32,775.40	150% appraised value	Surface/Mineral	2%
Jones-Keystone	55.970	15,208.00	12,208.00	150% FMV or US$483,255 (whichever is greater)	Surface/Mineral	2%
Jones-Keystone	5.070				Surface/Mineral	2%
Jones-Keystone	98.570	22,714.00	19,714.00	150% FMV or US$213,140 (whichever is greater)	Surface/Mineral	2%
Jones-Keystone	7.240	2,448.00	1,448.00	AMR $400/ac after Year 5	Surface/Mineral	2%
Jones-Keystone	26.570	17,900.00	14,400.00	150% FMV or US$426,750 (whichever is greater)	Surface/Mineral	2%
Jones-Keystone	10.820				Surface/Mineral	2%
Jones-Keystone	34.610				Surface/Mineral	2%
Jones-Keystone	76.000	18,000.00	12,500.00	150% FMV or US$168,000 (whichever is greater)	Surface/Mineral	2%
Jones-Keystone	20.000	2,000.00	4,000.00	150% appraised value or US$63,940 (whichever is higher)	Surface/Mineral	2%
Jones-Keystone	16.150	5,230.00	3,230.00	Greater of 150% of the FMV or the ATV ($88,790)	Surface/Mineral	2%
Hoover Hill	178.010	300,000.00	Year 1 thru 4 Paid Year 5 = $100K	150% appraised value or US$910,644 (whichever is higher) + $28,900/ "lot"	Surface/Mineral	2%
Hoover Hill	19.010				Surface/Mineral	2%
Hoover Hill	15.150				Surface/Mineral	2%
Hoover Hill	20.210				Surface/Mineral	2%
Hoover Hill	96.480	19,472.00	14,472.00	150% FMV or US$293,510 (whichever is greater)	Surface/Mineral	2%
Hoover Hill	274.600	44,640.00	44,640.00	150% FMV or US$997,610 (whichever is greater)	Surface/Mineral	2%
Hoover Hill	23.000				Surface/Mineral	2%
Jerico Hill	31.655	8,331.00	6,331.00	150% FMV or US$400,000 (whichever is greater)	Surface/Mineral	2%

Property	Area (acres)	First Year Signing $	Annual $ For Second Year	Purchase Option	Titles Held	NSR
Jerico Hill	182.220	36,444.00	27,333.00	5 year Option then annual AMR lease payments of $200/acre	Surface/Mineral	2%
Jerico Hill	5.670	3,134.00	1,134.00	150% appraised FMV	Surface/Mineral	2%
Jerico Hill	8.280	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)	Surface/Mineral	2%
Jerico Hill	30.000	2,000.00	6,000.00	150% appraised value or US$160,850 (whichever is higher)	Surface/Mineral	2%
					Surface/Mineral	2%
Silver Hill	469.56	60,000.00	$40,000 + 75K RV Shares & $500K Work/Yr -3 yrs	Lease Agreement	Surface/Mineral	2%
Silver Valley	166.990	40,000.00	$40,000 + 75K RV Shares & $500K Work/Yr -3 yrs	Lease Agreement	Surface/Mineral	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, exploration expenditures totaling US$2,500,000 and the issuance 300,000 common shares, all over a four year period. 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 period ended July 31, 2011, the Company issued 75,000 common shares valued at $44,250 and paid $59,146 (US$60,000).

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, exploration expenditures totaling US$2,500,000 and the issuance of 300,000 common shares, all over a four year period. 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 period ended July 31, 2011, the Company issued 75,000 common shares valued at $44,250 and paid $39,430 (US$40,000).

Virgilina

During fiscal 2011 the Company entered into an option agreement on the Virgilina copper property, North Carolina. The Company can earn 100% interest in the property for consideration of US$600,000 payable over four years, exploration expenditures totaling US$1,500,000 and the issuance of 400,000 common shares, all over a four year period. 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 period ended July 31, 2011, the Company issued 100,000 common shares valued at $59,000 and paid $118,291 (US$120,000).

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 share issuance 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 Jericho Hill prospect about eight kilometers northeast of Jones-Keystone, and the Silver Valley and Silver Hill properties being located about ten 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. Revolutions position at Champion Hills now collectively totals seven properties covering about 7,000 acres (2,833 hectares).

Select Champion Hills Drill Intercepts

Select Loflin and Jones Keystone Drill Intercepts

Hole-ID	From (m)	To (m)	Length (m)	Au (g/t)
LF10-017	26.0	96.0	70.0	1.10
including	26.0	46.0	20.0	2.19
	88.0	96.0	8.0	3.05
LF10-018	14.0	88.0	74.0	1.12
including	36.0	66.0	30.0	2.59
JK11-017	28.0	132.0	104.0	1.27
including	80.0	94.0	14.0	3.03
JK11-026	104.0	130.0	26.0	0.96
including	122.0	130.0	8.0	1.49
JK11-027	120.0	144.0	24.0	0.84
including	126.0	144.0	18.0	1.01
JK11-028	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 %
SH11-01	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
including	295.0	296.0	1.0	5.69	35.60	4.20	0.01	0.62
SH11-02	232.0	234.0	2.0	3.39	18.00	0.33	0.89	10.26
including	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
including	241.0	242.0	1.0	2.80	106.00	0.33	13.45	22.40
SV11-01	14.0	22.0	8.0	0.61	21.11	0.05	0.86	1.21
SV11-04	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)
JH11-001	28.5	51.0	22.5	6.10	258.65
including	43.1	51.0	7.9	16.06	698.66
including	47.0	48.5	1.5	56.60	2430.00

Nuukfjord, Greenland

Property Description, Area and Location

The Property covers an area of approximately 1,277 km^2 and encompasses much of the auriferous potential of the Nuuk Gold Province, southwest Greenland. The Property is located in the Nuuk Fjord area of southwest Greenland. The seven blocks are within a rectangular area defined by latitudes 63°45'N to 65°30'N and longitudes 51°40'W to 49°30'W and extend northeast for 150 km from 20 km south of Nuuk, the capital of Greenland. The Property covers the known gold prospects in the Nuuk Gold Province and favourable geology believed to have potential for new Archean greenstone discoveries.

Property Acquisition

By agreement dated July 17, 2009, as amended July 18, 2009, December 21, 2009 and February 25, 2010 (the "Acquisition Agreement") the Company acquired all of the issued and outstanding shares of Storgold Resources Ltd. ("Storgold"). Storgold's material asset at that time was a property option agreement (the "Option Agreement") with NunaMinerals A/S (a public Danish company) on certain mineral licenses in Greenland (the "Property"). Pursuant to the Acquisition Agreement, the Company issued 6,650,000 common shares valued at $1,662,500, granted a 0.5% NSR and reimbursed the vendors' prior expenditures incurred in negotiating the Option Agreement of $64,889, which were recorded as other acquisition costs, and $13,967 recorded as exploration costs.

The Option Agreement entitled the Company to earn up to a 65% interest in the Property, in incremental phases. To earn the full 65% interest the Company is required to pay $23,000,000 towards exploration expenditures over four years. The payments toward exploration expenditures and the interest earned are as follows:

> Phase A – the Company has earned its initial 15% interest by advancing $3,500,000 in exploration expenditures (completed),
> Phase B – The Company is required to advance an additional $3,500,000 towards exploration expenditures by September 30, 2011 for an additional 15% interest (not completed),
> Phase C – The Company is required to advance an additional $4,500,000 towards exploration expenditures by September 30, 2012 for an additional 19% interest,
> Phase D – The Company is required to advance an additional $11,500,000 towards exploration expenditures by September 30, 2013 for an additional 16% interest.

Pursuant to the Option Agreement, NunaMinerals A/S is the operator, and will conduct all work on the Property. NunaMinerals A/S may, at its election, incur exploration expenses in advance of the option payment dates, which will be subsequently reimbursed by the Company.

The Company's completion of Phase A was mandatory, whereas advancement of funds required to exercise the option in respect of Phase B, C and D are entirely at the Company's option. Upon the completion of any of Phases A, B or C, the Company has the option to form a joint venture partnership with NunaMinerals A/S or to complete the next phase. The Company elected not to complete Phase B; therefore, a joint venture partnership is deemed to have formed. When a joint venture is formed a new Danish company will be formed to hold title to the Property, which will be owned by Storgold and NunaMinerals A/S as to their respective interests. Contributions will be made based on each company's interest.

If subsequent to joining the joint venture the Company elects not to contribute its proportionate share of costs, the Company's interest is subject to dilution. If the Company's interest dilutes to less that 10%, its interest will automatically convert to a 1% NSR.

Given the Company's passive interest and election to not participate in Phase B, the Company has written-off the capitalized costs of $5,684,262 during fiscal 2011.

Below is the Mineral Property Interests table from the October 31, 2011 Consolidated Financial Statements:

	October 31, 2011		
	Nuukfjord	Champion Hills	Total
Exploration costs			
Balance, beginning of year	$ 3,931,986	$ 172,987	$ 4,104,973
Assays	-	486,204	486,204
Drilling	-	2,487,657	2,487,657
Equipment rental and maintenance	-	342,382	342,382
Fees & licenses	1,650	1,082	2,732
Field work, field personnel and geological consulting	6,419	1,425,968	1,432,387
Lease payments	-	140,773	140,773
Management fees	13,750	13,750	27,500
Project administration and report preparation	3,068	-	3,068
Travel and transportation	-	301,235	301,235
	24,887	5,199,051	5,223,938
Balance, end of year	3,956,873	5,372,038	9,328,911
Acquisition costs			
Balance, beginning of year	1,727,389	19,127	1,746,516
Acquisition costs	-	2,392,867	2,392,867
Balance, end of year	1,727,389	2,411,994	4,139,383
Write-off of mineral property	(5,684,262)	-	(5,684,262)
Balance, October 31, 2011	$ -	$ 7,784,032	$ 7,784,032

Future Exploration Plans

Champion Hills - The Company's 2012 exploration programs will dominantly focus on continued drilling and surface based testing of gold and silver and base metal mineralization on the Champion Hills Project of North Carolina.

Mexico (see 'subsequent event' section) - 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.

Jodie Gibson, 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.

Results of Operations

The financial statements reflect the financial condition of the Company's business for year ended October 31, 2011.

During the year ended October 31, 2011 the Company incurred a loss of $9,702,493 as compared to a loss of $2,577,706 for the prior year. These losses include non-cash-based deductions for amortization of $2,896 (2010 - $746), a financing fee of $Nil (2010 - $40,000), stock-based compensation of $933,066 (2010 -$1,221,909), and a write-off of mineral property of $5,684,262 (2010 - $Nil). Excluding non-cash-based deduction, the loss for the year ended October 31, 2011 was $3,082,269 compared to $1,315,051 for the prior year.

Significant administrative expenditures include consulting fees $252,265 (2010 – $211,910), investor relations and shareholder communications of $1,319,556 (2010 - $369,764), office and miscellaneous $287,447 (2010 - $233,933), management fees $345,000 (2010 - $97,500), professional fees $276,223 (2010 - $160,562), property investigation costs $192,492 (2010 - $50,166), and travel $436,309 (2010 - $151,280). The increase in expenditures is due to an increase in activities since the Company completed its IPO and commencing trading on the TSX. Significant decreases include stock based compensation - $933,066 (2010 - $1,221,909) which is due to a lower fair value for the options granted during the current period. Significant other items include the write-off of the Nuukfjord mineral property $5,684,262 (2010 - $Nil). The Company elected not to participate in phase B, but retains a15% interest in the project.

Fourth Quarter and Summary of Quarterly Results

	Three Month Period Ended							
	31-Oct-11	31-Jul-11	30-Apr-11	31-Jan-11	31-Oct-10	31-Jul-10	30-Apr-10	30-Jan-10
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total Assets	$16,210	$18,179	$19,217	$11,473	$10,623	$ 10,964	$ 11,354	$ 4,085
Mineral Properties	7,784	11,684	10,398	8,044	5,851	5,419	3,846	3,695
Working Capital (deficiency)	8,001	5,568	7,778	2,652	4,157	5,190	7,243	(429)
Shareholders' Equity	15,799	17,564	18,481	11,002	10,315	10,793	11,280	3,462
Net Income (loss)	(6,287)	(1,054)	(1,716)	(645)	(481)	(488)	(1,495)	(114)
Earnings (loss) per share	$ (0.11)	$ (0.02)	$ (0.03)	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.07)	$ (0.01)

The variability in Revolution's net loss over the last eight quarters resulted primarily from the changing levels in our capital expenditures, stock-based compensation, 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 the shareholder communication and the completion of the IPO.

Significant items during the previous periods include:

Fourth Quarter – During the three month period ended October 31, 2011, the Company entered into a Letter Agreement, which was formalized by an Option Agreement subsequent to period end, with Lake Shore Gold Corp. for the Universo and Montana de Oro properties in Mexico. This resulted in increased professional fee expenses for the quarter. The Company continued exploration on its Champion Hills project with an extensive diamond drilling program. The Company elected not to participate in Phase B of the Nuukjord project, and wrote-off capitalized costs of $5,684,262. The Company retains a 15% interest in the project.

During the three month period ended March 31, 2011 the Company completed a brokered private placement and issued 15,000,000 common shares at $0.60 per common share for gross proceeds of $9,000,000. The Company paid $540,000 and issued 900,000 broker's warrants as finders' fees. The Company also entered into the following significant property acquisitions: Silver Valley, Silver Hill, Virgilina and Hoover Hill which are described in more detail above in the Mineral Property section. The Company continues to actively explore on the Champion Hills properties.

During the three month period ended October 31, 2010 and January 31, 2011 the Company entered into various 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 Financial Statements. The Company commenced exploration and drilling during the period. There were no other significant financial transactions during the periods.

During the three month period ended July 31, 2010 the Company completed its first full three month period listed on the TSX. During this period the Company advanced $1,500,000 as required by the option agreement to Nuna Minerals A/S and the Company began drilling and regional exploration at the Nuukfjord gold project in Greenland. The advance brought the aggregate to $3,500,000 advanced to Nuna and completed Phase A, with which the Company earned an initial 15% interest. The Company also engaged First Canadian Capital Corp. a Toronto-based investor-relations service provider to act as a marketing and investor-relations consultant for the Company. Under the terms of the agreement, Revolution will pay First Canadian $6,000 per month for a 12-month initial term and grant an option to acquire 75,000 shares, exercisable at 50 cents per share. Company completed its IPO and listing on the TSX.

During the three month period ended July 31, 2010 the Company completed its IPO and listing on the TSX. The Company issued 18,000,000 shares at $0.50 per share for gross proceeds of $9,000,000. The Company paid $630,000 and issued 100,000 common shares valued at $50,000 as finders' fees and paid $45,000 and issued 20,000 common shares valued at $10,000 as a corporate finance fee. The Company also paid $228,799 as other share issuance costs. The brokers were also given 1,260,000 brokers' warrants valued at $294,620. Each warrant is exercisable at $0.50 for one share for a period of two years. The Company also granted 3,875,000 incentive stock options to directors, officers and consultants effective on the listing date. The Options are exercisable at $0.50 per share for a period of five years. In addition, the Company entered into a loan agreement for a $250,000 non-interest bearing loan due the earlier of (i) 30 days of receipt or (ii) the first day of trading on the TSX. The loan was repaid in full during the period.

During the three month period ended July 31, 2010 the Company entered into loan agreements for proceeds of $500,000 to ensure it would meet its obligations to Nuna under the option agreement. The loans bear interest at 15% per annum and were repayable at the earliest of (i) within five days following the Company's first day of trading on the TSX, (ii) July 31, 2010, or (iii) at the election of the lender in the event of default. The Company issued 100,000 special warrants as a financing fee valued at $40,000 to the lenders which converted to common shares of the Company upon the closing of the IPO.

Liquidity

Revolution's mineral exploration and development activities do not provide a source of income and we therefore have 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 our business, the results of operations as reflected in the net losses and losses per share do not provide meaningful interpretation of our valuation.

Operating Activities: The Company does not generate cash from operating activities. Net cash used by the Company for operating activities for the year ended October 31, 2011 was $3,093,884 compared to $1,254,338 for the year ended October 31, 2010.

Investing Activities: Revolution's capital assets include equipment and its interests in the Nuukfjord property in Greenland and the Champion Hills property in North Carolina. Net cash used by the Company in investing activities for year ended October 31, 2011was $6,288,357 compared to $3,761,761 for the year ended October 31, 2010. During the current period the majority of the expenditures were on the Champion Hills project in North Carolina.

Financing Activities: During the year ended October 31, 2011, the Company received net cash inflows of $13,105,310 from the issuance of capital stock from the completion of the private placements and the exercise of stock options and broker warrants. During the year ended October 31, 2010 the Company received cash inflows of $8,564,491 from the issuance of capital stock from the completion of its IPO and loans payable. 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 year ended October 31, 2011 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.

Off-Balance Sheet Arrangements

At October 31, 2011, 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 for the Next Five Years

The following table sets out the contractual obligations of the Company, including payments to be made, for the next five years:

Contractual Obligation	**Payments Due by Period**				
	Total	**Less than 1 year**	**1 – 3 years**	**4 – 5 years**	**After 5 years**
Long Term Debt	nil	nil	nil	nil	nil
Capital Lease Obligations	nil	nil	nil	nil	nil
Operating Leases	nil	nil	nil	nil	nil
Purchase Obligations[1]	nil	nil	nil	nil	nil
Other Long Term Obligations	nil	nil	nil	nil	nil
Total Contractual Obligations	nil	nil	nil	nil	nil

Note 1: After the Company acquired an initial 15% interest, all further payments under the Nuukfjord Property Option Agreement are optional to the Company.

Note 2: All payments under the Champion Hills Option agreements are optional to the Company.

Note3: All payments under the Mexico property option agreement are optional to the Company.

Capital Resources

The Company may continue to seek capital through public markets by issuing common shares pursuant to private placements. 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.

Outstanding Share Data

As at the date of this report, the Company had an unlimited number of common shares authorized for issuance with 72,528,290 common shares issued and outstanding.

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

Number	Exercise price		Expiry date
Stock options			
100,000	$	0.80	April 12, 2013
225,000		0.80	May 15, 2014
3,500,000		0.50	April 27, 2015
1,225,000		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
Warrants			
4,500,000	$	0.75	October 18, 2015
Brokers Warrants			
900,000	$	0.80	February 4, 2012
697,950		0.50	April 27, 2012
120,000		0.60	October 18, 2012
Special Warrants			
100,000	$	0.75	March 15, 2015

Related Party Transactions

During the year ended October 31, 2011, the Company:

a) Paid or accrued management fees of $255,000 (2010 - $97,500) to Aaron Keay, CEO and Director of the Company

b) Paid or accrued management fees of $90,000 (2010 - $Nil) to Robert McLeod a senior officer and Director of the Company.

c) Paid or accrued geological consulting fees of $28,750 (2010 - $32,500) to Michael Moore, an officer of the Company.

d) Paid or accrued professional fees of $90,550 (2010 - $50,000) to Jonathan Richards, CFO and Shoni Bernard, former Corporate Secretary of the Company.

e) Paid or accrued consulting fees of $190,000 (2010 - $80,000) to Georg Hochwimmer, Michael Williams, Robert McLeod, Per Wimmer and Bryan Slusarchuk, directors of the Company.

f) Paid or accrued shareholder communications fees of $39,840 (2010 - $58,600) to General Research Gmbh, a company controlled by Georg Hochwimmer, a director of the Company.

Included in accounts payable is $117,622 (October 31, 2010 - $44,058) due to directors of the Company.

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 $29,147 (2010 - $59,611) due to a related private company. During the year the Company paid or accrued $547,898 (2010 - $92,382) for geological consulting, and $60,273 (2010 - $26,986) for office and administrative expenditures.

During the year ended October 31, 2010 the Company granted share purchase loans to Aaron Keay, Michael Williams and Robert McLeod, who are directors of the Company totaling $300,000. The loans were solely used for acquiring shares of the Company and are repayable 4 years from the date of the share purchase loan. The loans do not bear interest, unless in default, at which time the loans bear interest at 6% per annum. The loans are secured over the shares acquired. On October 25, 2011, the Company entered into an agreement with the Directors to offset the loans receivable with amounts payable under the Champion Hills purchase and sale agreement. Refer to the audited financial statements for the year ended October 31, 2011 for additional information.

Proposed Transactions

The Company continues to enter into further option and purchase agreements in the Champion Hills area with terms consistent with Note 5 of the financial statements.

Critical Accounting Policies and Estimates

Revolution's accounting policies are described in Note 2 of its audited consolidated financial statements as at October 31, 2011 and October 31, 2010. 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 consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates. Significant accounts that require estimates relate to the impairment of mineral property interests, valuation of finders' fees on private placements, valuation allowance applied against future income tax assets and stock-based compensation.

• Mineral property interests

All costs related to the acquisition, exploration and development of mineral property interests are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

• Income taxes

Income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that enactment or substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

• Stock-based compensation

The Company uses the fair value method whereby the Company recognizes compensation costs over the vesting period for the granting of all stock options and direct awards of stock. Any consideration paid by the option holders to purchase shares is credited to capital stock.

• Financial instruments

Financial instruments are required to be classified as held-for-trading, held-to-maturity, available-for-sale, loans and receivables, or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet at fair value, except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial assets are measured at fair value and changes in fair value are recognized in other comprehensive income until the instrument is derecognized or impaired.

New accounting standards

Business combinations, non-controlling interest and consolidated financial statements

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of financial statements. Section 1601 is applicable for the Company's interim and annual financial statements for its fiscal year beginning November 1, 2011. Early adoption of this Section is permitted and all three Sections must be adopted concurrently.

IFRS Changeover Plan Disclosure

The Canadian Accounting Standards Board (AcSB) has announced its decision to replace Canadian generally accepted accounting principles ("GAAP") with International Financial Reporting Standards (IFRS) for all Canadian Publicly Accountable Enterprises ('PAEs"). The effective changeover date is November 1, 2011, at which time Canadian GAAP will cease to apply for the Company and will be replaced by IFRS. Following this timeline, the Company will issue its first set of interim financial statements prepared under IFRS in the first quarter of 2012 including comparative IFRS financial results and an opening balance sheet as at November 1, 2010. The first annual IFRS financial statements will be prepared for the year ended October 31, 2012 with restated comparatives for the year ended October 31, 2011.

Management has developed a project plan for the conversion to IFRS based on the current nature of operations. The conversion plan is comprised of three phases: 1) Scoping phase which will assess the overall impact and effort required by the Company in order to transition to IFRS; 2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter; and, 3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at November 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant pro forma financial statements including all note disclosures and disclosures required for the MD&A.

Management has completed phase one, IFRS Scoping phase, and phase two, the Planning stage. Management has prepared a component evaluation of its existing financial statement line items, comparing Canadian GAAP to the corresponding IFRS guidelines. Management has identified some differences, but management does not expect to have a material impact on the reported results and financial position.

IFRS 1, "First-Time Adoption of International Financial Reporting Standards", provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. During the current year management will prepare a presentation to the Audit Committee and the Board of Directors which will focus on the key issues and transitional choices under IFRS 1 applicable to the Company.

Set out below are the most significant areas, management has identified to date, where changes in accounting policies may have the highest potential impact on the Company's financial statements, both on the transitional numbers and on future financial statements, based on the accounting policy choices approved by the Audit Committee and Board of Directors.

In the period leading up to the changeover in 2011, the AcSB has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's financial statements can only be measured once all the IFRS accounting standards at the conversion date are known. Management will continue to review new standards, as well as the impact of the new accounting standards, between now and the conversion date to ensure all relevant changes are addressed.

Share Based Payments

IFRS and Canadian GAAP largely converge on the accounting treatment for share – based transactions with only a few differences.

Canadian GAAP allows either accelerated or straight line method of amortization for the fair value of stock options under graded vesting. The Company has applied the accelerated amortization method in fiscal 2011 and therefore the adoption of IFRS 2 is not expected to have an impact on the Company's financial statements.

Under IFRS, the estimate for forfeitures must be made when determining the number of equity instruments expected to vest, while under Canadian GAAP forfeitures can be recognized as they occur. The Company has developed a basis for the estimate of forfeitures when determining the number of equity instruments expected to vest on future grants.

Upon adoption of IFRS 2, the Company will be fully compliant with the new standard and the adoption is not expected to have an impact on the financial statements.

Exploration and Evaluation Assets

Under the Company's current accounting policy, acquisition costs of mineral properties, together with direct exploration and development expenses incurred thereon are capitalized.

Upon adoption of IFRS, the Company has to determine the accounting policy for exploration and evaluation assets. The Company can decide to apply the International Accounting Standards Board ("IASB") Framework which requires exploration expenditures to be expensed and capitalization of expenditures only after the completion of a feasibility study or disregard the IASB Framework and keep the existing Company policy, if relevant and reliable.

Management has yet to decide on whether or not to fully adopt IFRS 6, "Exploration for and Evaluation of Mineral Properties", and apply the IASB framework. If management elects to fully adopt IFRS 6, the result of the application of the IASB Framework at the transition date, mineral properties may decrease with an increase to accumulated deficit by the same amount reflecting the derecognized exploration costs.

Future Income Taxes

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

IFRS prohibits recognition where deferred income taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable net earnings. The Company expects the impact of implementing IAS 12, Income Taxes to not have an impact on the financial statements. However, as events and circumstances of the Company's operations change that give rise to future income taxes, IAS 12 will be applied.

As the Company elects and approves the IFRS accounting policy for each of the areas above, management will determine and disclose impact of the IFRS adoption at the transition date on our financial statements. The International Accounting Standards Board will also continue to issue new accounting standards during the conversion period and, as a result, the final impact of IFRS on the Company's financial statements will only be measured once all the IFRS applicable accounting standards at the conversion date are known.

Based on management assessment of the information system currently used by the Company, all information required to be reported under IFRS will be available with minimal system changes.

One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note references. The Company is in the process of drafting IFRS compliant financial statements with the required presentation and disclosures.

The Company is currently assessing the financial reporting impact of the transition to IFRS and the changeover date. We are in the process of completing our detailed technical analysis of Canadian GAAP-IFRS accounting differences. Furthermore, IFRS accounting standards, and the interpretation thereof, are constantly evolving and therefore are subject to change through the end of 2011. Consequently, we will continuously monitor IFRS accounting developments and update our conversion plan and public disclosure as necessary.

Financial Instruments and Risk Management

Financial Instruments

Cash and 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 approximated 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 it 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 October 31, 2011, the Company had a cash and equivalents and short-term investments balance of $8,239,059 to settle current liabilities of $410,853.

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 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 October 31, 2011, 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 Greenland in Canadian dollars and the Danish Kroner 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 Danish kroner and the US Dollar. Fluctuations in the exchange rate among the Canadian dollar, the Danish kroner 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 Prospectus, located on SEDAR at *www.sedar.com*, for a full list of applicable risk factors.

Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer, of the Company have evaluated or caused to be evaluated for effectiveness the Company's disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") which have been designed or caused 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 Canadian GAAP.

The Company took into consideration the following two characteristics common to companies of a similar size:

- The limited number of personnel in smaller companies, which constrains the Company's ability to fully segregate conflicting duties;
- The Company relies on an active board of directors, and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures.

In addition, management has relied upon certain informal procedures and communication, and upon "hands-on" knowledge of senior management to maintain the effectiveness of disclosure controls and procedures.

As a result of the evaluation, the Company has concluded that the DC&P and ICFR are effective as required by its current size, and in compliance with the recommendations of National Instrument 52-109. However, there can be no assurance that the risk of a material misstatement in the financial statements can be reduced to less than a remote likelihood.

There were no changes in the controls, which materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting during the period.

Subsequent Events

Subsequent to October 31, 2011 the Company:

1) Entered into an Option Agreement 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 will be required to issue to Lake Shore common shares equal in number to 9.9% of the Company's issued and outstanding common shares within five business days of entering into a formal agreement (for which the Company has issued 5,713,740 common shares representing 9.9% of the issued and outstanding common shares at the date of the letter agreement), incur $35,000,000 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, valued at a price per share equal to the volume-weighted average trading price ("VWAP") of the common shares of the Company for the five trading days ending on the trading date that is five trading days prior to the date of issuance of such common shares.

   The Company can acquire a 100% interest in either or both of Universo and Montana de Oro properties by completing National Instrument 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 NI 43-101 technical report showing a total resource of all categories of at least two million gold-equivalent ounces and paying Lake Shore $20 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 $20 per ounce of resources defined in such report in cash or in common shares of the Company at the election of Lake Shore.

   In the case of both properties, should Lake Shore elect to receive common shares, the shares will be valued at a price per share equal to the five-day VWAP price ending on the trading date that is five trading days prior to the date of issuance of such common shares or, in the event shareholder approval is required for the issuance of such common shares, ending on the trading date that is 60 days prior to the date of issuance of such common shares.

The option to acquire a 100% interest with respect to either the Universo or Montana de Oro properties 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 formal 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. There is a royalty of 1.5% payable on certain claims upon commencement of commercial production.
2. Underlying payments on the Montana de Oro properties total MXP 1,083,990 in the first year and MXP 1,000,000 every year thereafter.

Refer to the news release dated December 14, 2011 on www.sedar.com for additional information.

2) Appointed Terry Bell, a geologist with 24 years' experience, to the Board of Directors.

   Refer to the news release dated January 9, 2012 on www.sedar.com for additional information.

3) Announced the completion of a drill program focused on defining and expanding recent discoveries made by the Company at Champion Hills. The Company intends to begin an initial NI 43-101 compliant resource estimate in Q3, 2012. Numerous significant shallow intersections confirm a significant near-surface gold system at Champion Hills (The majority of intercepts occur less than 100 meters below surface). Both the Loflin and Jones-Keystone deposits remain open to expansion at depth and along strike. Highlights from the recent drilling include:

   - LF11-030: 32.0 meters averaging 1.34 g/t Au
   - LF11-031: 29.0 meters averaging 1.12 g/t Au
   - JK11-036: 15.0 meters averaging 1.36 g/t Au
   - JK11-048: 34.5 meters averaging 1.11 g/t Au

   Refer to the news release dated January 23, 2012 on www.sedar.com for additional information.