TINTINAGOLD RESOURCES INC. (Formerly Mantra Mining Inc.)
Management Discussion and Analysis
For the year ended September 30, 2009

1.1 General

This Management Discussion and Analysis ("MD&A") of TintinaGold Resources Inc. (Formerly Mantra Mining Inc.) (the "Company") has been prepared by management as of November 20, 2009 and should be read in conjunction with the audited annual consolidated financial statements and related notes thereto of the Company as at, and for the years ended September 30, 2009 and 2008, which were prepared in accordance with Canadian generally accepted accounting policies ("Canadian GAAP"). All dollar figures are expressed in Canadian dollars unless otherwise stated. These documents and additional information on the Corporation are available on the Company's website at www.tintinagold.com or on SEDAR at www.sedar.com.

This MD&A may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

Description of Business

The Company was incorporated on July 30, 1998 under the laws of British Columbia as Global Sortweb.com Inc. ("Global"). On June 9, 2006, the Company changed its name from Global to Mantra Mining Inc. ("Mantra") Prior to the name change, the Company was involved in developing internet services through its wholly-owned subsidiary. The Company changed its name on September 28, 2009 from Mantra to TintinaGold Resources Inc. ("TintinaGold") by a resolution of the directors to better reflect the Company's focus on the Tintina gold belt in Alaska, United States.

On December 15, 2006, the Company acquired a 100% wholly owned subsidiary company, Mantra Mining (India) Pvt. Ltd., located in Pune, India. On June 30, 2008 and August 14, 2008, the Company incorporated two separate companies in the state of Delaware, Mantra Alaska Mining, Inc. and Mantra Alaska Exploration, Inc. respectively in anticipation of acquiring interest in mineral claims in Alaska. The results of operations of the incorporated subsidiaries have been included in these consolidated financial statements from the acquisition date.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

1.2 Overall Performance

During the year ended September 30, 2009, TintinaGold conducted significant advancements in the exploration and development of its mineral property interests, specifically with respect to its Colorado Creek project. The Company acquired several mineral properties for a total of $7,983,659 which were primarily funded through the issuance of shares during the year ended September 30, 2009 ("FY09") compared to $28,099 incurred during the year ended September 30, 2008 ("FY08"). The Company incurred $1,864,280 of exploration expenditures during FY09 compared to $93,019 during FY08, representing an increase of $1,771,261.

The Company incurred a loss of $6,731,110 or $0.12 per share during FY09 as compared to a loss of $1,173,811 or $0.03 per share during FY08, representing an increase in loss of $5,557,299.

The change in loss was primarily due to the following:

- An increase in the write-off of mineral properties of $6,792,946 from $176,358 during FY08 to $6,969,304 during FY09. The Company written off $6,625,041 of its mineral property interest in Golden Lynx LLC as management rescinded the option to maintain its interest subsequent to year end based on the results of the FY09 work program conducted on the site. The Company is not subject to further obligations or commitments as a result of this action. The Company written off $344,262 in the Tintina property as management rescinded the land claim on November 1, 2009. The increase in the write-off of mineral properties was offset by an increase of $2,625,766 in future income tax recovery ($nil during FY08) with respect to the Golden Lynx LLC property.
- An increase in stock-based compensation of $785,729 from $174,165 during FY08 to $959,894 during FY09. During the year, additional stock options were granted to directors, officers, employees and consultants, resulting in an increase in stock-based compensation expense.
- An increase in professional fees of $199,104 from $197,404 during FY08 to $396,508 during FY09 mainly due to (i) legal fees incurred with respect to matters related to the purchase of the Alaska properties from NovaGold Resources Inc. and spin-out of AsiaBaseMetals Inc. and (ii) accounting and tax work related to the AsiaBaseMetals Inc. spin-out.
- An increase in foreign exchange loss of $178,880 from $Nil during FY08 mainly due to Canadian dollar exchange rate fluctuations against the US dollar.
- An increase in employee costs of $78,014 from $Nil during FY08 primarily due to staff increases at head office in Vancouver, Canada and the Indian office in Pune, India. During FY08, the Company hired consultants and advisors and had no employees.
- An increase in regulatory and transfer agent fees of $63,998 from $38,265 during FY08 to $102,263 during FY09 resulting from fees paid to the TSX Venture Exchange ("TSX-V") regarding the Company listing and AsiaBaseMetals, Inc. spin-out.
- An increase in management fees of $58,000 from $152,000 during FY08 to $210,000 during FY09 due to a $5,000 per month increase to compensate for additional management time required to manage the affairs of the Company.

TintinaGold closed a non-brokered private placement during fiscal 2009. The Company issued 14,471,757 units at a price of $0.35 per unit, for gross proceeds of $5,065,100. Each unit consists of one common share and one share purchase warrant of the Company.

The Company's cash at September 30, 2009 totalled $1,740,781 compared to $497,452 at September 30, 2008.

1.2 Overall Performance (continued)

The Company had an accumulated deficit as of September 30, 2009 of $12,239,176 compared to $5,508,066 as of September 30, 2008 which has been funded primarily by the issuance of equity. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

1.3 Selected Annual Information

	Years ended September 30,		
	2009	2008	2007
Total revenues	$Nil	$Nil	$Nil
Loss before income tax	$(9,356,876)	$(1,173,811)	$(628,472)
Loss before discontinued operations	$(6,731,110)	$(1,173,811)	$(571,150)
Loss for the year	$(6,731,110)	$(1,173,811)	$(571,564)
Loss per share	$(0.12)	$(0.03)	$(0.01)
Total assets	$4,793,428	$757,389	$757,612
Total long term liabilities	$Nil	$Nil	$Nil

1.4 Results of Operations

TintinaGold is a growth company focused globally on exploration and development of precious and base metals. The Company currently has multiple properties in Alaska: Colorado Creek, Kugruk, Baird, and Omilak. The Company is primarily focused on advancing the Colorado Creek and Kugruk properties.

Agreements with Affiliates of Rio Tinto and NovaGold

The Company has entered into two separate agreements dated August 27, 2008 with affiliates of Rio Tinto PLC ("Rio Tinto") and NovaGold Resources Inc. ("NovaGold") to purchase a 100% interest in mineral claims comprising over 485,000 acres in Alaska. On March 6, 2009, the Company completed and closed the acquisition.

The initial closing of the acquisition was subject to a number of conditions including, but not limited to, the completion of satisfactory due diligence, concurrently with the initial closing, a private placement for gross proceeds of a minimum of $3 million, the approval of the TSX-V and other necessary regulatory and stock exchange approvals.

The agreement with NovaGold entitling the Company to acquire an interest in five mineral properties in Alaska, U.S.A., as outlined below, was amended on November 27, 2008 to change the closing date from November 30, 2008 to December 31, 2008 and to allow for separate closings for the five mineral properties in Alaska. The five Alaska mineral properties comprised of: Colorado Creek, Kugruk, Tintina, Baird, and Omilak.

Pursuant to the amendment dated November 27, 2008, the Company agreed to acquire NovaGold’s five Alaskan properties by issuing 3,125,000 common shares at a fair value of $1,562,500 on the closing date. The Company closed the transaction to acquire the five mineral properties on March 6, 2009.

The Company has written off $344,262 in the Tintina property as management rescinded the land claim subsequent to year end.

1.4 Results of Operations (continued)

Colorado Creek

The Colorado Creek property (comprised of 26,880 acres in 273 Alaska state mining claims) covers the Cripple Creek Mountains and surrounding lowlands, about 66 kilometres ("km") north of McGrath, Alaska, on the Kuskokwim River, and 86km south of Poorman, Alaska, which has road access to Ruby on the Yukon River. TintinaGold has a lease with Rosander Mining Company, Inc. for 125r 40-acre claims, two 20-acre claims, one 15-acre claim, one 27-acre, and one 160-acre claim on the Colorado Creek property. The lease includes a yearly work provision of $200,000. The remaining 143 claims are 100% owned by TintinaGold through its wholly-owned subsidiary Mantra Alaska Mining, Inc ("MAMI").

The Colorado Creek project focuses on an intrusive-related gold system which fed gold placers with past production in excess of 250,000 ounces of gold. These placers source from the margin of the Cripple Creek diorite pluton, a 23 square-km intrusive which forms the main body of the Cripple Creek Mountains. An Au-in-soil anomaly greater than 4 km long and greater than to 2 km wide encompasses the source area for much of the placer gold. Reconnaissance soil sampling in 2009 suggests the anomaly extends another 4 km to the south. The Au-in-soil anomaly lies on the west side of the dioritic Cripple Creek pluton which coincides with a magnetic high. A magnetic low approximately 1 km wide surrounds the pluton and much of the Au-in-soil anomaly lies within this feature. At Porphyry Knob a ≥100 ppb Au-in-soil anomaly, which is about 500 metres by 800 metres in extent and open on its west end, overlies a 100 metre ("m") thick southeast dipping rhyodacite sill that intrudes andesite and siltstone. Gold mineralization occurs with sericite, carbonate, and clay alteration and with veins of quartz and calcite with arsenopyrite and pyrite throughout the sill, as well as in the surrounding andesite. Historic metallurgical tests with cyanide leach bottle roll tests show greater than 93% Au recovery from pulps, so much of the material may be amenable to leaching.

Placer Dome drilled eleven holes on the property in 1997, some of which intersected portions of the rhyodacite sill with one intercept of 29.1 m grading 1.5 g Au/tonne (DDH 3). TintinaGold drilled an additional 12 holes in 2009. In an area about 400 m by 250 m in extent this latest drilling encountered 98.4 m grading 0.57 g Au/tonne (DDH 12); 24.0 m grading 1.15 g Au/tonne and 2.3m grading 7.28 g Au/tonne within 111.0 m grading 0.64 g Au/tonne (DDH 14); and 44.8 m grading 1.01 g Au/tonne within 128.3 m grading 0.6 g Au/tonne (DDH 15). Drilling to the east encountered a separate, less mineralized structural block. Mineralization at Porphyry Knob is open to the south, southwest, and west.

Colorado Creek shows similar intrusive compositions and ages, host rocks, and geochemistry to Donlin Creek, but mineralization appears higher temperature and lies close to a large intrusive center, the Cripple Creek pluton. The two properties show a similar scale of altered and mineralized area. The Company intends to conduct an exploration program of drilling, geologic mapping, soil-sampling, trenching, and detailed airborne geophysics in fiscal 2010.

Kugruk

The Kugruk property (comprised of 177,280 acres in 1,107 Alaska state mining claims) is located 115 km south of Kotzebue in the low tundra of the northern Seward Peninsula and 20 km from northern margin of the Seward Peninsula at Kotzebue Sound. TintinaGold leases four 160-acre claims from Mr. Joe Wilson and owns the remaining claims through MAMI.

1.4 Results of Operations (continued)

Kugruk (continued)

In 2009, TintinaGold conducted orientation IP-resistivity and gravity surveys over the three highest priority airborne geophysical anomalies, including a 3 km long very high-magnetic zone at Billiken; a 3 km long low-resistivity zone on the south flank of the Kugruk pluton; and a 5 km long low-resistivity zone with coincident Cu-in-soil anomaly in the Knowles Creek area in the south part of the claim block. Results confirm low resistivities in all areas; show a very strong gravity anomaly (up to 3 milligal) with the high magnetic zone at Billiken; and show very high IP chargeability on all three anomalies. The arrangement of intrusive, Fe-Cu skarn, widespread Ag-Pb-Zn prospects and peripheral placer gold occurrences suggest metal occurrences result from a large scale porphyry copper or other intrusive-driven hydrothermal system. The property shows potential for a very large Cu or Cu-Au deposit and a significant iron resource in a reasonably accessible area. The Company intends to conduct an exploration program of drilling, soil and rock sampling, and airborne surveying in fiscal 2010.

Baird

The Baird property (comprised of 80,560 acres in 508 Alaska state mining claims) is located in arctic Alaska in the Baird Mountains (western Brooks Range) 40 km north of Kiana, a village on the Kobuk River. All claims are owned by TintinaGold through its wholly-owned subsidiary Mantra Alaska Exploration, Inc. (“MAEI”) except for the 60 OMAR claims where the Company has a 60% earn-in agreement and yearly minimum work obligation of $250,000 (for a total of $2,500,000 from May 31, 2007 to May 31, 2011) with Teck Corporation.

The property covers an area of Paleozoic age limestone and dolomite. Initial exploration drilling on the Omar prospect area in the 1960’s encountered copper concentrations of 9.59% Cu over 6.1 meters in one hole and 3.16% Cu over 36.6 meters in another. Work conducted in 2007 outlined at least four prospect areas, each more than 4 km long, with extensive concentrations of Cu and Zn in soil and rocks. In 2009, the Company carried out a small program to evaluate some of the results of the 2007 work. The Company intends to conduct further mapping, soil and rock sampling, and IP-resistivity testing in fiscal 2010.

Omilak

The Omilak property (comprised of 19,680 acres in 116 Alaska state mining claims) is located in the Darby Mountains, 50 km east of Council, Alaska, and 160 kms east of Nome in the headwaters of the Fish River. TintinaGold owns 100% of the claims through MAEI.

The property covers an area of Paleozoic carbonate rocks and contains the Omilak mine, a small high grade silver producer during the late 19th century. More recent investigations on the property located an additional mineralized area with persistent Ag, Pb, and Zn mineralization for over four kilometres. In 2009, the Company carried out reconnaissance sampling and mapping to verify the results of the past work. The primary exploration objective in fiscal 2010 is to complete a geophysical characterization of the property area.

Golden Lynx

On May 20, 2009, the Company completed the acquisition of a 55% interest in Golden Lynx LLC (“Golden Lynx”) through the Company’s wholly-owned subsidiary, and issued 4,200,000 common shares at a price of $0.90 per share as consideration for the interest in Golden Lynx. Golden Lynx is currently the owner of 135 claims located in southwestern Alaska that comprises approximately 20,040 acres.

1.4 Results of Operations (continued)

Golden Lynx (continued)

The Company accounted for the transaction as a purchase of assets and accordingly has recorded the asset at the fair value of shares issued of $3,780,000 plus the associated future income tax liability of $2,625,766.

In order to maintain its interest in Golden Lynx, the Company must make capital contributions to Golden Lynx of US$321,000 by April 18, 2010 and a further US$1,500,000 by April 18, 2013, which amounts will be used to fund exploration expenditures on the Golden Lynx properties. The Company also must spend US$1,000,000 to advance exploration of the properties on or by April 18, 2010. The Company will have the right to acquire an additional 25% interest in Golden Lynx by making an additional capital contribution of US$2,500,000 by April 18, 2015.

The Company has written off $6,625,041 of its mineral property interest in Golden Lynx as management rescinded the option to maintain its interest subsequent to year end. The Company is not subject to further obligations or commitments as a result of this action.

Armstrong Brook Gold Property

On February 21, 2006, the Company entered into an option agreement with Geodex Minerals Ltd. (“Geodex”) to acquire up to a 75% interest in Geodex’s Armstrong Brook gold property (the “Property”) located in the Cape Spencer area near Saint John, New Brunswick for a cash payment of $15,000, finder’s fee of $25,000, and issuance of 50,000 common shares. The Company received the TSX-V approval for this transaction on June 9, 2006.

The Company could earn the first 65% interest of the Property in exchange for cash payments of $65,000, issuance of 200,000 common shares of the Company and incurring a minimum of $1,000,000 in expenditures by December 31, 2008.

During the year ended September 30, 2008, the Company determined that the carrying value of the Geodex Property cannot be recovered; therefore an impairment loss was recognized of $151,359.

The Company did not incur the minimum expenditures by December 31, 2008, and has consequently written off the remaining carrying value.

Gnome Project

On December 21, 2007, the Company entered into an option agreement to acquire up to an undivided 100% right, title and interest in and to approximately 3,185 Ha of mineral claims, known as the Gnome Project, located in an area referred to as Williston Lake (the Kechika trough), British Columbia. The Company received the TSX-V approval for this transaction on February 19, 2008 (the “Approval Date”).

The Company can earn the 100% interest of the Property in exchange for cash payments of $3,100, issuance of 525,000 common shares of the Company and incurring a minimum of $100,000 in expenditures within 14 months of the Approval Date, which was on February 19, 2008.

1.4 Results of Operations (continued)

Gnome Project (continued)

The following is a schedule of the cash and share payments required to earn the 100% interest in the Property:

Cash $	Shares #	
$1,000	-	On the effective date (December 21, 2007 – cash paid)
$2,100	-	On or before 1 month after February 19, 2008 (cash –paid)
-	25,000	On or before 24 months after February 19, 2008
-	100,000	On or before 36 months after February 19, 2008
-	100,000	On or before 48 months after February 19, 2008
-	300,000	On or before 60 months after February 19, 2008
$3,100	525,000	Total consideration to earn the 100% interest in the property

On March 12, 2009, the Company entered into an agreement to acquire a 100% interest in and to approximately 5,428 Ha of mineral claims, including the 3,185 Ha previously optioned under the agreement dated December 21, 2007, from Charles James Greig, subject to a 1% NSR royalty, and terminated the initial option agreement, dated December 21, 2007.

The Gnome claims consist of two claims under option by the Company pursuant to the option agreement with Greig that was approved on February 18, 2008 and ten claims located in the “area of common interest” pursuant to the terms of the Option Agreement.

The Gnome Claims are located in the same belt NE of Williston Lake (the Kechika Trough) as the well known Cirque and Akie Sedex Zn-Pb-Ag properties in British Columbia, Canada. The Project is located immediately adjacent and contiguously south of the Elf mineral claims held by Teck Resources and Korea Zinc. The Elf mineral claims of Teck Resources are located contiguously south of the Akie mineral claims held by Mantle Resources Inc., which claims in turn are located south of the Cirque deposit/claims of Teck Resources and Korea Zinc.

The consideration payable by the Company for the acquisition of the Gnome Claims consists of $3,000 in cash and 15,000 common shares of the Company. The Company has the right to purchase the 1% NSR royalty retained by Greig for $2,000,000 up to the period ending on the 10th anniversary of the closing date. The Company completed the acquisition of the mineral claims on May 4, 2009.

On September 30, 2009 the Company’s shareholders approved a plan of arrangement (“Arrangement”) in which the Company transferred its interest in the Gnome Zinc Project and $500,000 in cash to AsiaBaseMetals, Inc. (“AsiaBaseMetals”), a wholly-owned subsidiary incorporated for the purpose of the Arrangement. At the effective date of the Arrangement, the Company will distribute to the shareholders of the Company all of the AsiaBaseMetals shares that it received pursuant to the Arrangement. The British Columbia Supreme Court granted final approval for the Arrangement on September 29, 2009.

On October 8, 2009, the Company distributed to the shareholders all of the AsiaBaseMetals shares pursuant to the Arrangement. After completion of the Arrangement, AsiaBaseMetals sought a listing on the TSX-V.

The Company recorded the transaction as a shareholder distribution at the carrying value of the Gnome Zinc Project of $146,748 and a reduction in cash of $500,000 with the offsetting reduction in share capital of $646,748.

1.4 Results of Operations (continued)

Elkhorn Potash Project

On February 22, 2008, the Company entered into an option agreement to acquire up to an undivided 100% interest in an exploration permit application for the Elkhorn Potash Project, located within southwest Manitoba.

The Company could earn a 100% interest of the Property in exchange for cash payments of $500,000, issuance of 6,000,000 common shares of the Company and incurring a minimum of $3,000,000 on exploration costs within 36 months of the later of the date the Optionors receive valid permits from the Manitoba Permit Authority and the Approval Date.

The following is a schedule of the cash and share payments required to earn the 100% interest in the Property:

Cash $	Shares #	
$25,000	-	On the Effective Date (cash paid)
$100,000	-	On or before 5 business days after the Effective Date (cash paid)
-	600,000	Within 10 business days of the Approval Date
$125,000	-	On or before 30 business days after TSX approval
$100,000	300,000	On or before 6 months after the Approval Date
-	300,000	On or before 12 months after the Approval Date
$150,000	300,000	On or before 14 months after the Approval Date
-	750,000	On or before 18 months after the Approval Date
-	750,000	On or before 24 months after the Approval Date
-	3,000,000	On or before 36 months after the Approval Date
$500,000	6,000,000	Total consideration to earn 100% interest in the property

In fiscal 2008, the Company wrote off $24,999 of the non-refundable application fees for the Elkhorn Potash Project. On November 30, 2008, management rescinded the option and, as a result, $100,000 was refunded to the Company.

General and administration

General and administration costs during the year ended September 30, 2009 were $2,387,572, compared to $997,453 during fiscal 2008. The increase of $1,390,119 from fiscal 2008 to 2009 was primarily due to:

- An increase in stock-based compensation of $785,729 from $174,165 during FY08 to $959,894 during FY09. During the year, the Company granted an aggregate of 2,920,000 stock options under the Company's old stock option plan to employees, officers, directors, and consultants. The option is exercisable for a period of five years, at prices ranging from $0.50 per share to $1.00 per share. Of the stock options granted, 1,550,000 fully vested on the grant date, and the remaining 1,370,000 stock options vest at a rate of 1/3 one year after the grant date, and 1/3 each year thereafter until the options are fully vested. On September 30, 2009, the shareholders of the Company approved the implementation by the Company of a new stock option plan (the "New Plan") for the Company. The New Plan is a 10% rolling stock option plan and has the same basic terms as the Company's old plan. The New Plan was updated to include certain additional features to conform to the new TSX-V policies. The Company obtained regulatory approval for the New Plan.

1.4 Results of Operations (continued)

General and administration (continued)

- An increase in professional fees of $199,104 from $197,404 during FY08 to $396,508 during FY09 mainly due to (i) legal fees incurred with respect to matters related to the purchase of the Alaska properties from NovaGold Resources Inc. and spin-out of AsiaBaseMetals Inc. and (ii) accounting and tax work related to the AsiaBaseMetals Inc. spin-out.
- An increase in foreign exchange loss of $178,880 from $Nil during FY08 mainly due to Canadian dollar exchange rate fluctuations against the US dollar.
- An increase in employee costs of $78,014 from $Nil during FY08 primarily due to staff increases at head office in Vancouver, Canada and the Indian office in Pune, India. During FY08, the Company hired consultants and advisors and had no employees.
- An increase in regulatory and transfer agent fees of $63,998 from $38,265 during FY08 to $102,263 during FY09 resulting from fees paid to the TSX-V regarding the Company listing and AsiaBaseMetals, Inc. spin-out.
- An increase in management fees of $58,000 from $152,000 during FY08 to $210,000 during FY09 due to a $5,000 per month increase to compensate for additional management time required to manage the affairs of the Company.

1.5 Summary of Quarterly Results

The following is a summary of certain financial information concerning the Company for each of the last eight reported quarters:

Quarter Ended	Total Revenues	Net Income (Loss)	Net Income (Loss) Per share
December 31, 2007	Nil	(116,329)	(0.01)
March 31, 2008	Nil	(132,333)	(0.01)
June 30, 2008	Nil	(184,785)	(0.00)
September 30, 2008	Nil	(740,364)	(0.02)
December 31, 2008	Nil	(161,016)	(0.01)
March 31, 2009	Nil	(711,305)	(0.01)
June 30, 2009	Nil	(651,917)	(0.01)
September 30, 2009	Nil	(5,206,872)	(0.08)

1.6/1.7 Liquidity and Capital Resources

As at September 30, 2009, the Company reported working capital of $1,767,059. Net increase in cash for the year ended September 30, 2009 was $1,243,329 leaving cash on hand in the amount of $1,740,781.

Current assets excluding cash at September 30, 2009 consist of amounts receivable of $39,679, and prepaid expenses and other assets of $113,604.

Current liabilities as at September 30, 2009 consist of accounts payable and accrued liabilities of $127,005.

The Company's continuing operations, as intended, are dependent upon its ability to obtain debt or the necessary financing to meet its liabilities and commitments as they become payable.

1.6/1.7 Liquidity and Capital Resources (continued)

TintinaGold is able to maintain its mineral properties commitments on exploration and development (i.e., land claims and labour requirements) in fiscal year 2010 ("FY10") without the need of additional capital funding. The Company's planned activities in FY10 anticipate significant exploration and development expenditures exceeding its current cash reserves and will require additional capital to fund these activities. The funds required for the planned activities in FY10 are expected to be raised through additional equity financings. Recent volatility in the financial markets could make it difficult for the Company to raise funds and such funding may not be available on commercially acceptable terms or at all. The Company's failure to raise the additional funds could result in the delay or indefinite postponement of further exploration and development of its properties or the loss or substantial dilution on its property interest.

During the year ended September 30, 2009, the Company generated net cash of $4,619,850 from its financing activities as follows:

a) Private Placement

On May 20, 2009, the Company closed a non-brokered private placement. The Company issued 14,471,757 units under its private placement at a price of $0.35 per unit, for gross proceeds of $5,065,100. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant entitles the holder, on exercise, to purchase one additional common share of the Company at a price of $0.50 per share for a period of three years from the date of the issue of the warrant. The securities issued or issuable under the private placement are subject to a four month hold period expiring September 21, 2009.

Electrum Strategic Metals LLC acquired 7,714,286 units under the private placement, representing more than 50% of the private placement. The share purchase warrants to be issued to Electrum as part of the units originally contained a restriction on exercise to the extent the exercise would bring the holdings of Electrum and its affiliates and joint actors to more than 19.99% of the issued and outstanding common shares of the Company. The Company obtained shareholder approval on September 30, 2009 to remove such exercise restrictions. Electrum may be considered a joint actor with Cougar Gold LLC, the party with which the Company entered into an agreement with, as announced on May 1, 2009. As a result of the 7,714,286 units acquired by Electrum under the private placement and the issuance by the Company to Cougar of 4,200,000 common shares of the Company, Electrum and parties that may be considered joint actors with Electrum now own and control 11,914,286 common shares, representing approximately 17.4% of the issued and outstanding common shares of the Company.

b) Exercise of Warrants & Issuance of Common Shares

During the year ended September 30, 2009, 105,000 warrants were exercised at prices ranging from $0.50 to $0.95 per share, for aggregate proceeds of $54,750.

1.8 Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

1.9 Transactions with Related Parties

During the year ended September 30, 2009, the Company had the following related party transactions which were measured at the exchange amount, which is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities:

a) Management fees were paid to a company owned by the President of the Company of $210,000 (2008: $152,000)

b) Accounting fees were paid to a company owned by the President of the Company of $6,000 (2008: $6,000)

As at September 30, 2009, accounts payable includes $2,433 (2008: $2,163) payable to Directors/Shareholders of the Company or companies under their control. These amounts are non-interest bearing, unsecured and are due upon demand.

1.10 Fourth Quarter

During the fourth quarter ended, September 30, 2009, the following significant transactions occurred:

a) On September 30, 2009 the Company's shareholders approved a plan of arrangement ("Arrangement") in which the Company transferred its interest in the Gnome Zinc Project and $500,000 in cash to AsiaBaseMetals, a wholly-owned subsidiary incorporated for the purpose of the Arrangement. At the effective date of the Arrangement, the Company will distribute to the shareholders of the Company all of the AsiaBaseMetals shares that it received pursuant to the Arrangement. The British Columbia Supreme Court granted final approval for the Arrangement on September 29, 2009.

   On October 8, 2009, the Company distributed to the shareholders all of the AsiaBaseMetals shares pursuant to the Arrangement. After completion of the Arrangement, AsiaBaseMetals sought a listing on the TSX-V.

   The Company recorded the transaction as a shareholder distribution at the carrying value of the Gnome Zinc Project of $146,748 and a reduction in cash of $500,000 with the offsetting reduction in share capital of $646,748.

b) The Company written off $6,625,041 of its mineral property interest in Golden Lynx as management rescinded the option to maintain its interest subsequent to year end based on the results of the FY09 work program conducted on the site. The Company is not subject to further obligations or commitments as a result of this action. The Company also written off $344,262 in the Tintina property as management rescinded the land claim on November 1, 2009. The increase in the write-off of mineral properties was offset by a $2,625,766 adjustment in future income tax liabilities with respect to the Golden Lynx property.

c) 100,000 warrants were exercised at a price of $0.50 per share, for aggregate net proceeds of $50,000. Please refer to sections 1.6/1.7 for further information.

For the three month period ending September 30, 2009, the Company incurred a net loss for the period of $5,206,872, as compared to a net loss of $740,364 during the corresponding period last year, resulting in an increase in loss of $4,466,508. The increase was primarily due to (i) the write-down of the Golden Lynx property and (ii) increases in stock-based compensation expense. Please refer to section 1.4 for further information.

1.11 *Subsequent Events and Proposed Transactions*

a) On October 8, 2009, the Company distributed to its shareholders all of the AsiaBaseMetals shares pursuant to the Arrangement described in section 1.4. After completion of the Arrangement, AsiaBaseMetals completed its listing on the TSX-V and its shares trade under the symbol: ABZ (TSX-V).

b) On November 1, 2009, the Company rescinded the land claim to maintain its interest in the Tintina property. Please refer to section 1.4 for further information.

c) Subsequent to year end, the Company decided to rescind the option to maintain its interest in Golden Lynx. Please refer to section 1.4 for further information.

1.12 *Critical Accounting Estimates*

Not applicable to the Company.

1.13 *Change in Accounting Policies Including Initial Adoption*

a) Adopted accounting pronouncements

General standards of financial statement presentation – CICA Section 1400

Effective October 1, 2008, the Company adopted CICA Handbook Section 1400, “General Standards of Financial Statement Presentation.” The CICA accounting standards board amended Section 1400 to include requirements of management to assess and disclose an entity’s ability to continue as a going concern. The adoption of this standard had no impact on the Company’s financial statements.

b) Recent accounting pronouncements

i) Business combinations

In January 2009, the CICA issued Section 1582, Business Combinations, which replaces former guidance on business combinations. Section 1582 establishes principles and requirements of the acquisition method for business combination and related disclosures. The Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 2011 with earlier adoption permitted. The Company is currently evaluating the impact of this standard on the consolidated financial statements.

ii) Consolidated financial statements

In January 2009, the CICA issued Section 1601, Consolidated Financial Statements, and 1602, Non-controlling interests, which replaces existing guidance. Section 1602 provides guidance on accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. These standards are effective on or after the beginning of the first annual reporting period on or after January 2011 with earlier adoption permitted. The Company is currently evaluating the impact of this standard on the consolidated financial statements.

iii) International financial reporting standards

In February 2008, the CICA Accounting Standards Board confirmed that public companies will be required to prepare interim and annual financial statements under International Financial Reporting Standards (“IFRS”) for fiscal years beginning on or after January 1, 2011. The Company is currently assessing the impact of adopting IFRS and has not yet determined its effect on its financial statements.

1.14 Financial Instruments and Other Instruments

Fair Value of Financial Instruments

The Company's financial instruments include cash, amounts receivable, and accounts payable. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Transaction Costs

Transaction costs attributable to the acquisition or issue of financial assets or financial liabilities, other than those classified as held-for-trading, are added to the initial fair value amount to match the costs with the related transactions.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate cash balance. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

Credit Risk

The Company maintains substantially all of its cash with major financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits.

Currency Risk

The Company incurs costs and expenses in foreign currencies other than the Canadian dollar. The exchange rates covering such currencies, including the US dollars and Indian rupees, are subject to fluctuation which gives rise to foreign currency exposure, either favourable or unfavourable. The Company does not hedge the US dollars or Indian rupees against its functional currencies.

Sensitivity analysis

The Company has completed a sensitivity analysis to estimate the impact on net income for the period which a change in foreign exchange rate during the year ended September 30, 2009 would have had.

i) US dollar

The result of the sensitivity analysis shows that if the Canadian dollar had weakened/ strengthened 10 percent against the US dollar with all other variables held constant after-tax net loss and comprehensive loss for the year would have been $107,953 lower/higher.

ii) Indian rupee

The result of the sensitivity analysis shows that if the Canadian dollar had weakened/ strengthened 10 percent against the Indian rupee with all other variables held constant, after-tax net loss and comprehensive loss for the year would have been $1,952 lower/higher.

1.15 Other Requirements

a) Disclosure Controls

Management has designed disclosure controls and procedures, or has caused them to be designed under its supervision to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiary, is made known to management, particularly during the period in which the annual filings are being prepared. Management has also designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of the financial statements for year ended September 30, 2009, in accordance with Canadian generally accepted accounting principles. There has been no change in the Company's disclosure controls and procedures or in the Company's internal control over financial reporting that occurred during the most recently completed period that has materially affected, or is reasonably likely to materially affect, the Company's disclosure controls and procedures or internal control over financial reporting.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated the effectiveness of the Company's disclosure controls and procedures in place as at September 30, 2009. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer of the Company concluded that the design and operations of these controls and procedures were effective.

a) Summary of Outstanding Share Data at September 30, 2009:

a. Authorized: Unlimited common shares without par value
Issued and outstanding: 68,662,558 common shares

b. Stock options
Options outstanding as of September 30, 2009: 3,220,000

c. Warrants
Warrants outstanding as of September 30, 2009: 14,371,757

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

The shareholders will be kept informed of any material changes.