ODIN MINING & EXPLORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED SEPTEMBER 30, 2014

ODIN MINING & EXPLORATION

Management's Discussion and Analysis
For the Nine Months Ended September 30, 2014 **November 21, 2014**

INTRODUCTION

Odin Mining and Exploration Ltd. ("Odin" or the "Company") is a resource exploration company with a focus on the exploration and development of projects in Ecuador. The Company currently holds, through its 100% owned subsidiaries, an interest in the "Greater Cangrejos" project which is located in the foothills of the Andes in southwest Ecuador. Odin's head office is in Vancouver, Canada.

The Company was incorporated on March 22, 1988 and its shares are listed on the TSX Venture Exchange (the "TSXV") under the symbol "ODN."

This management's discussion and analysis ("MD&A") focuses on significant factors that affected Odin and its subsidiaries during the relevant reporting period and to the date of this report. The MD&A supplements, but does not form part of, the unaudited condensed consolidated interim financial statements of the Company and the notes thereto for the nine months ended September 30, 2014 and 2013 and, consequently, should be read in conjunction with the aforementioned financial statements and notes thereto.

ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.odinmining.com.

The Company reports its financial information in United States dollars and all monetary amounts set forth herein are expressed in U.S. dollars unless specifically stated otherwise. The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB"). The Company's unaudited condensed consolidated interim financial statements for the periods ended September 30, 2014 and 2013 were prepared in accordance with IAS 34 *Interim Financial Reporting*.

Marshall Koval, P.G., is a qualified person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and has reviewed and approved for inclusion the scientific and technical disclosure in this MD&A. Mr. Koval is a director of the Company and also its President and Chief Executive Officer.

FORWARD-LOOKING INFORMATION

Information and statements contained in this MD&A that are not historical facts are forward-looking information or forward-looking statements within the meaning of Canadian securities legislation and the *U.S. Private Securities Litigation Reform Act of 1995* (hereinafter collectively referred to as "forward-looking statements") that involve risks and uncertainties. This MD&A contains forward-looking statements such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Examples of forward-looking statements in this MD&A include, but are not limited to, statements with respect to:

- the Company's expected timing for completion of Phase 1 of the drilling program and release of related assay results, along with possible future development work;
- Odin's ability to raise additional financing or seek alternative ways to advance its corporate objectives;
- the Company's estimates of mineral resources, plans to continue its exploration and drilling program, and possible related discoveries or extensions of new mineralization or increases or upgrades to reported mineral resource estimates at the Los Cangrejos project in Ecuador;
- the prospects for identifying and/or acquiring additional mining concessions in Ecuador with realistic discovery potential that could add value to the company;
- permitting and regulatory requirements related to any exploration plans and related operations;
- the nature of any legislative or regulatory reform initiatives and their potential effects on Odin;
- Odin's exploration and possible acquisition of properties that are subject to option rights;
- the adequacy of the Company's working capital, the use of financing proceeds, and its ability to raise additional financing;
- the Company's ability to continue as a going concern; and,
- the impact to the Company of future accounting standards and discussion of risks and uncertainties around the Company's business.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "goal", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". These forward-looking statements are based, in part, on assumptions and factors that may change, thus causing actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. Such factors and assumptions include, but are not limited to: assumptions concerning copper, base metal and precious metal prices; cut-off grades; accuracy of mineral resource estimates and resource modeling; reliability of sampling and assay data; representativeness of mineralization; accuracy of metallurgical test work; and ability to successfully raise additional capital.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, and without limitation:

- risks relating to the Company's working capital and requirements for additional capital;
- risks relating to currency exchange fluctuations;
- risks relating to copper, base metal and precious metal price fluctuations;
- risks inherent in mineral resource estimation;
- risks relating to the Los Cangrejos project being in Ecuador, including political, social, economic, security and regulatory instability;
- risks relating to potential local social unrest, including opposition to mining or pressure for employment or other concessions;
- risks relating to Odin's operations being subject to environmental and remediation requirements, which may increase the cost of doing business and restrict Odin's operations;
- risks relating to Odin's ability to source qualified human resources;
- risks of title disputes or claims;
- risks relating to being adversely affected by environmental, safety and regulatory risks, including increased regulatory burdens or delays and changes of law;
- risks relating to failure of plant, equipment or processes to operate as anticipated;
- accidents, labour disputes and other risks of the mining industry;
- competition inherent in the mining exploration industry;
- delays in obtaining governmental approvals or financing for the completion of exploration, development or construction activities;
- risks of unpredictable natural occurrences such as adverse weather conditions, landslides and volcanic activity;
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the fact that Odin's properties are not yet in commercial production;
- risks relating to fluctuations in interest rates and tax rates,

as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important factors and risks that could affect the Company and may cause actual actions, events or results to differ, perhaps materially, from those described in forward-looking statements, there may be other factors and risks 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, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events, except as required by law.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and the data is subject to change based on various factors.

OVERVIEW OF SIGNIFICANT EVENTS AND REVIEW OF ACTIVITIES

In order to better understand the Company's financial results, it is important to gain an appreciation for the significant events, transactions and activities on mineral property interests which occurred during the three months ended September 30, 2014 and to the date of this MD&A.

Cangrejos Project

Odin currently has one project, called "Greater Cangrejos", located in the foothills of the Andes in the southwest of Ecuador. The project lies 30 kilometres ("km") southeast of Machala, the capital of El Oro Province, and 150 km south of Guayaquil, Ecuador's largest city. The project is approximately 40 km from the port of Puerto Bolivar (located in Machala). The project has potential for the discovery of both high-tonnage, low-grade, gold-copper mineralization in a porphyry environment and of lower-tonnage, higher-grade, gold (± copper) mineralization in structurally focused settings above and peripheral to the porphyry mineralization.

The Greater Cangrejos project consists of twelve consolidated mineral titles (or concessions) covering a total area of 5,594 hectares. All the mineral titles were confirmed under Ecuador's mining law as enacted in May 2010. Ten of the mineral titles are owned directly by Odin and the other two are being acquired from Mr. Francisco Castro Sanchez through an agreement involving an "irrevocable right to purchase". This agreement was signed on May 8, 2007 and approved by the TSX-V on

September 20, 2007, although the due dates and final quantum have been subject to amendments since that date. A payment of $460,000 was made under the agreement in July 2014, which leaves one final payment of $1.4 million due in July 2015.

Within the area of the mineral titles Odin controls about 540 hectares of land / surface rights over various critical locations with respect to the conceptual targets at Greater Cangrejos. Odin owns about 380 hectares outright and is in the process of acquiring another 160 hectares through the above agreement with Mr. Castro.

In October 2014, Odin initiated Phase 1 (+/- 3,500 metres) of a 15,000 metre drilling program which will consist of step out holes targeting lateral and depth extensions of known mineralized zones, and testing of surface geochemical anomalies. The upper parts of some holes will also be used to confirm previous drill results for use in a future resource estimate. Initial drilling will consist of seven holes and will be completed with a Hydrocore 2000 diamond drill rig that has been contracted from Hubbard Drilling, based in Cuenca, Ecuador. As at November 17, 2014, 4 holes had been completed and a total of 2,055 metres drilled. In addition, 860 drill core samples have been sent to Acme Laboratory in Cuenca, Ecuador, for sample preparation prior to then being shipped on to Acme in Vancouver, Canada, for assaying. Assay results from the above holes are still pending and will require final Quality Assurance/ Quality Control review before release. Final results are expected to be released in early 2015. The Phase 1 program is anticipated to be completed by December 19, 2014. In addition, planning for an initial metallurgical testing program has been completed and environmental monitoring and social programs are ongoing.

Corporate Matters

On July 22, 2014, the Company completed a non-brokered private placement of 95,386,667 common shares for gross proceeds of $5,000,000. The proceeds of this financing were noted to be used as follows:

(1) To drill a minimum of 15,000 metres on the Company's mineral properties, reasonably budgeted at an all-inclusive cost of $3 million (which program commenced in October 2014);
(2) Approximately CAD$200,000 to repay outstanding indebtedness (paid CAD$210,915 including accrued interest);
(3) $460,000 to meet certain of Odin's payment obligations pursuant to an existing property agreement (paid); and,
(4) The balance for general corporate working capital purposes.

Concurrent with closing the private placement, 4,205,433 common shares were issued in consideration for settlement of outstanding loans in the amount of CAD$ 236,556 (including accrued interest of CAD$6,556). Accordingly, the Company has now satisfied repayment of all its outstanding loans.

Following completion of the private placement, Levi Giesbrecht, Mauricio Ledesma and Daniel Noone resigned as directors of the Company and were replaced by Donald Shumka, Lyle Braaten, Marshall Koval and Michael Steinmann. Marshall Koval was appointed as Odin's Chief Executive Officer, Martin Rip was appointed Chief Financial Officer, Lyle Braaten was appointed VP Legal Counsel, Leo Hathaway was appointed VP Exploration, John Youle was appointed VP Corporate Affairs and Diego Benalcazar was appointed VP Corporate Development. Stephen Stow remained a director of the Company and Mauricio Ledesma will continue to act as a consultant to the Company.

OUTLOOK

The Company's business remains focused on the exploration, assessment and maintenance of its existing prospective mining properties. Current activities include geologic mapping and implementation of Phase 1 of a 15,000 metre diamond drill testing program at the Company's Greater Cangrejos Project. It is currently anticipated that the drilling program will be completed in 2015. Further exploration and project development, as well as payment of the final instalment of $1.4 million to Mr. Castro, will be dependent on positive results from the drilling program and the Government of Ecuador's ongoing mining law reform to position Ecuador as an attractive mining jurisdiction in order to attract significant foreign investment. In the event that early stage exploration proves fruitful, and Ecuador improves its mining laws as anticipated, the Company will look to initiate advanced exploration, preliminary engineering and development work at the Cangrejos Project. The Company has also signed several Confidentiality Agreements and is evaluating additional gold/copper exploration opportunities in Ecuador.

The Company will require additional financing to enable it to undertake the activities as described in this Outlook section. Further details can be viewed in this MD&A in the section "Liquidity and Capital Resources."

CHANGE IN ACCOUNTING POLICY

Effective September 30, 2014, the Company voluntarily changed its accounting policy for exploration and evaluation expenditures ("E&E") to recognize these costs in the statement of loss in the period incurred, as permitted under IFRS 6 *Exploration for and Evaluation of Mineral Resources*. Previously, these expenditures were capitalized as exploration and evaluation assets on the Company's balance sheet. The Company changed its accounting policy as it believes that the new policy is more in line with the IFRS framework with respect to what constitutes an asset. The Company also believes that showing exploration and evaluation expenses separately on the statement of loss and in the operating activities section of the statement of cash flows more clearly represents the Company's activities during the periods presented. The change in accounting policy has been applied retrospectively. No change in accounting policy was made with regard to costs of acquiring mineral property licenses or rights. Accordingly, the Company's accounting policies for these costs are:

Exploration and evaluation licenses: All direct costs related to the acquisition of mineral property interests are capitalized into intangible assets on a property by property basis. License costs paid in connection with a right to explore in an exploration area, for a period in excess of one year, are capitalized and amortized over the term of the license.

Exploration and evaluation expenditures: Exploration costs, net of incidental revenues, are charged to operations in the year incurred until such time as it has been determined that a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated reserves as the depletion base.

The change in accounting policy resulted in the following changes to the Company's consolidated financial statements. Additional details can be viewed in Note 2(c) to the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2014.

Consolidated Balance Sheet as at January 1, 2013

	Note	As previously reported	Effect of change in accounting policy	As restated under new policy
Exploration and evaluation asset	(i)	2,581,286	(2,301,286)	280,000
Accumulated deficit	(i)	(11,187,398)	(2,301,286)	(13,488,684)

(i) All E&E expenditures have been expensed to deficit rather than capitalized on the balance sheet. $280,000 relates to concession acquisition payments that were not impaired as at January 1, 2013.

Consolidated Balance Sheet as at December 31, 2013

	Note	As previously reported	Effect of change in accounting policy	As restated under new policy
ASSETS				
Exploration and evaluation assets	(ii)	1	(1)	-
Accumulated deficit	(ii)	(14,766,619)	(1)	(14,766,620)

(ii) All E&E expenditures have been expensed to deficit rather than capitalized on the balance sheet.

Consolidated Statement of Loss and Comprehensive Loss – three months ended September 30, 2013

	Note	As previously reported	Effect of change in accounting policy	As restated under new policy
Expenses				
Exploration and evaluation expenditures	(iii)	$ -	$ 132,523	$ 132,523
Fees, salaries and other employee benefits	(iii)	24,856	(3,531)	21,325
General and administration	(iii)	9,431	(3,352)	6,079
Professional fees	(iii)	11,469	(1,680)	9,789
Insurance		2,223	-	2,223
Depreciation		213	-	213
		48,192	123,960	172,152
Other income (expenses)				
Interest and other income		233	-	233
Foreign exchange loss		(1,765)	-	(1,765)
Impairment expense	(iv)	(3,195,515)	2,815,515	(380,000)
		(3,197,047)	2,815,515	(381,532)
Net loss and comprehensive loss for the period attributable to owners of the parent entity		$ 3,245,239	$ (2,691,555)	$ 553,684
Loss per share – basic and diluted		$ 0.17	$ (0.14)	$ 0.03

(iii) Costs incurred during the period on E&E expenditures are disclosed in the statement of loss rather than on the balance sheet. Certain costs totaling $8,563 have been reclassified from categories in the profit and loss to E&E expenditures representing field office costs incurred in Ecuador. Management believes these are directly related to the E&E activities so are more appropriately disclosed as part of the cost of E&E operations.

(iv) As previous E&E costs have been restated through accumulated deficit the impairment expense in the period relates to the concession acquisition carrying value at September 30, 2013.

Consolidated Statement of Loss and Comprehensive Loss – nine months ended September 30, 2013

	Note	As previously reported	Effect of change in accounting policy	As restated under new policy
Expenses				
Exploration and evaluation expenditures	(v)	$ -	$ 544,095	$ 544,095
Fees, salaries and other employee benefits	(v)	65,242	(10,249)	54,993
General and administration	(v)	34,097	(11,384)	22,713
Professional fees	(v)	33,112	(8,232)	24,880
Insurance		8,994	-	8,994
Depreciation		639	-	639
		142,084	514,230	656,314
Other income (expenses)				
Interest and other income		3,164	-	3,164
Foreign exchange loss		(26,774)	-	(26,774)
Impairment expense	(vi)	(3,195,515)	2,815,515	(380,000)
		(3,219,125)	2,815,515	(403,610)
Net loss and comprehensive loss for the period attributable to owners of the parent entity		$ 3,361,209	$ (2,301,285)	$ 1,059,924
Loss per share – basic and diluted		$ 0.17	$ (0.12)	$ 0.05

(v) Costs incurred during the period on E&E expenditures are disclosed in the statement of loss rather than on the balance sheet. Certain costs totaling $29,865 have been reclassified from categories in the profit and loss to E&E expenditures representing field office costs incurred in Ecuador. Management believes these are directly related to the E&E activities so are more appropriately disclosed as part of the cost of E&E operations.

(vi) As previous E&E costs have been restated through accumulated deficit the impairment expense in the period relates to the concession acquisition carrying value at September 30, 2013.

Consolidated Statement of Cash Flows – nine months ended September 30, 2013

	Note	As previously reported	Effect of change in accounting policy	As restated under new policy
Operating activities				
(Loss) for the period	(vii)	$ (3,361,209)	$ 2,301,285	$ (1,059,924)
Adjustment for non-cash items:				
Depreciation	(viii)	639	8,561	9,200
Impairment expense	(vii)	3,195,515	(2,815,515)	380,000
Deduct: interest income		(3,164)	-	(3,164)
Net changes in non-cash working capital items:				
Receivables		1,194	-	1,194
Prepaid expenses	(viii)	8,994	58,073	67,067
Accounts payable and accrued liabilities	(viii)	(51,944)	(38,461)	(90,405)
Net cash utilized in operating activities		(209,975)	(486,057)	(696,032)
Investing activities				
Expenditures on exploration and evaluation asset	(viii)	(586,057)	486,057	(100,000)
Interest received		3,164	-	3,164
Net cash utilized in investing activities		(582,893)	486,057	(96,836)
(Decrease) in cash and cash equivalents		(792,868)	-	(792,868)
Cash and cash equivalents, beginning of period		1,000,140	-	1,000,140
Cash and cash equivalents, end of period		$ 207,272	$ -	$ 207,272

(vii) See notes above regarding the consolidated statement of loss and comprehensive loss for the three months ended September 30, 2013.

(viii) Expenditures on E&E along with related prepaid expenses and payables were previously disclosed as investing activities to the extent they related to mineral property costs. These are now expensed as operating activities.

REVIEW OF FINANCIAL RESULTS

This review of the results of operations should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three and nine months ended September 30, 2014 and 2013 along with other public disclosure documents of the Company. All balances and results are reported after taking into account the effect of the change of accounting policy for E&E as noted earlier in this MD&A (including comparatives).

For the three and six months ended September 30, 2014, the Company reported net losses of $1,269,905 and $1,602,755, respectively, compared to $553,684 and $1,059,924 for each of the three and nine months ended September 30, 2013. During 2013 through until the completion of private placement financing in July 2014, the Company operated under a care and maintenance approach due to insufficient available funding to proceed with an active drilling program. Since August 2014, the Company has been preparing for the commencement of a 15,000 metre drilling program, which commenced in October 2014. Further details and discussion of the Company's significant expenses in the 2014 period are described below.

Operating Expenses

Exploration and evaluation expenditures: The Company's E&E expenditures on the Greater Cangrejos Project were as follows for each of the three and nine month periods ended September 30, 2014 and 2013:

	Three months ended September 30, 2014	2013	Increased (decreased) Expenditure
Mineral rights	$ -	$ 727	$ (727)
Legal fees	6,731	11,200	(4,469)
Assays	-	4,169	(4,169)
Camp	27,672	11,493	16,179
Camp access and improvements	182	391	(209)
Consultant database	4,319	-	4,319
Environmental	1,365	1,344	21
Field office	26,208	8,563	17,645
Geological consulting	52,752	12,730	40,022
Geological staff	42,837	78,111	(35,274)
Project management	47,182	-	47,182
Reports	6,000	-	6,000
Social and community	23,564	-	23,564
Share-based payment	224,422	-	224,422
Transportation and accommodation	50,226	3,795	46,431
	$ 513,460	$ 132,523	$ 381,117

	Nine months ended September 30, 2014	2013	Increased (decreased) Expenditure
Mineral rights	$ 46,926	$ 90,266	$ (43,340)
Legal fees	23,881	35,840	(11,959)
Assays	-	6,516	(6,516)
Camp	47,388	102,603	(55,215)
Camp access and improvements	344	9,207	(8,863)
Consultant database	4,319	-	4,319
Environmental	11,975	1,344	10,631
Field office	41,838	29,865	11,973
Geological consulting	52,752	29,174	23,578
Geological staff	134,536	221,976	(87,440)
Project management	47,182	-	47,182
Reports	6,000	-	6,000
Social and community	23,564	-	23,564
Share-based payment	224,422	-	224,422
Transportation and accommodation	56,466	17,304	39,162
	$ 721,593	$ 544,095	$ 177,498

The E&E expenditures included non-cash expenses for share-based payment expense recorded in the period relating to the vesting of stock options granted under the Company's stock option plan of $224,422 for the three and nine months ended September 30, 2014. No stock option expense was recorded in the prior year periods. Overall cash E&E expenditures were broadly consistent for the periods under review, although the focus in the three months ended September 30, 2014 was more towards planning for the Company's drilling program and putting in place personnel able to execute and oversee such a program.

Other operating expenses: The Company's other operating expenses for the three and nine months ended September 30, 2014 and 2013 were as follows:

	Three months ended September 30, 2014		2013		Increased (decreased) Expenditure	
Fees, salaries and other employee benefits	$	629,199	$	21,325	$	607,874
General and administration		39,488		6,079		33,409
Property investigations		22,182		-		22,182
Professional fees		62,361		9,789		52,572
Insurance		3,457		2,223		1,234
Depreciation		1,096		213		883
Interest		(4,663)		-		(4,663)
	$	753,120	$	39,629	$	713,491

	Nine months ended September 30, 2014		2013		Increased (decreased) Expenditure	
Fees, salaries and other employee benefits	$	660,464	$	54,993	$	605,471
General and administration		77,769		22,713		55,056
Property investigations		22,182		-		22,182
Professional fees		85,582		24,880		60,702
Insurance		9,577		8,994		583
Depreciation		1,398		639		759
Interest		10,016		-		10,016
	$	866,988	$	112,219	$	754,769

Fees, salaries and other employee benefits for the three and nine months ended September 30, 2014 included $520,544 of share-based payment expense arising from stock options granted in September 2014. Excluding this non-cash expense, fees, salaries and other employee benefits were $108,655 and $139,920 for the three and nine months ended September 30, 2014 (three and nine months ended September 30, 2013 - $21,325 and $54,993, respectively). The increase in fees and salaries relates to the Company increasing its human resource complement as it seeks to undertake a drilling program compared to the prior year when the Company was operating on a care and maintenance basis.

General and administration costs increased during the three and nine month periods ended September 30, 2014 (by $33,409 and $55,056, respectively). The increase primarily relates to the transition by the Company from a care and maintenance approach to a corporate structure that includes professional office space as well as $18,156 of financing costs incurred with the loans that the Company entered into in December 2013 and January 2014 which were fully accreted at during the nine months ended September 30, 2014.

The increase in costs related to professional fees have arisen as a result of the increased corporate activity leading up to and since the completion of the Company's private placement in July 2014, including costs for the Company's annual general meeting.

Exploration and Evaluation Asset (Mineral Property) - Greater Cangrejos Project

The Company's primary asset is the Greater Cangrejos Project which is an exploration and evaluation asset for accounting purposes. The Company capitalizes costs incurred in connection with the acquisition of its exploration and evaluation interests and any required licenses related thereto with a life of more than one year. At September 30, 2014, the carrying value of the exploration and evaluation asset related to the Greater Cangrejos Project was $460,000 (December 31, 2013 - $Nil). This relates to the portion of the project that is being acquired from Mr. Castro. A total of $1,000,000 has been spent acquiring this interest. In prior years, management determined that there were indicators of impairment to the project and accordingly, recorded an impairment provision of $540,000 against the acquisition costs. A further $460,000 was incurred in July 2014 which remains capitalized on the balance sheet.

E&E expenditures are expensed to profit and loss as incurred. These have been discussed earlier in this MD&A and are disclosed in Note 6(b) of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2014.

Related Party Transactions

For the three and nine months ended September 30, 2014, $73,525 (respectively) was paid to four private companies controlled by directors and/or officers of the Company for management and technical consulting services (2013 - $Nil). The Company also paid $27,036 for the periods ended September 30, 2014 (2013 - $Nil), for the rental of office space (and related G&A costs) and shared personnel to a company related by virtue of common directors and significant shareholders. The costs for these transactions have all been recorded at the amounts agreed to between the parties.

The Company entered into loan agreements with four directors of Odin for a total of CAD$80,000 in December 2013 and an additional CAD$77,500 in June 2014. The initial loans incurred interest at a rate of 4% per annum until February 15, 2014 and 12% thereafter. The June 2014 loans did not bear any interest and were entered into to bridge the Company's operations pending completion of the equity financing in July 2014. All loans were repaid and/or settled in July 2014 concurrent with completion of the Company's private placement at that time. The loan transactions with related parties were at the amounts agreed between the parties and were, for the initial loans, identical to loans secured from third-party providers.

Additional details on related party transactions can be reviewed at Note 16 to the unaudited condensed consolidated interim financial statements for the period ended September 30, 2014.

SUMMARY OF QUARTERLY RESULTS (UNAUDITED)

The information presented below highlights the Company's unaudited quarterly results for the past eight quarters.

Three Months Ended:	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013
Revenue	$ -	$ -	$ -	$ -
Expenses	1,266,580	197,835	124,166	225,745
Other expenses (income)	3,325	12,052	(1,203)	(7,733)
Net loss for the period	1,269,905	209,887	122,963	218,012
Basic and diluted loss per share[(1)]	0.01	0.01	0.005	0.01

[(1)] After giving effect to share consolidation on June 4, 2014.

Three Months Ended:	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
Revenue	$ -	$ -	$ -	$ -
Expenses	172,152	160,261	323,901	318,272
Other expenses (income)	381,532	12,708	9,370	(12,508)
Net loss for the period	553,684	172,969	333,271	305,764
Basic and diluted loss per share[(1)]	0.03	0.01	0.015	0.015

[(1)] After giving effect to share consolidation on June 4, 2014.

As discussed in this MD&A, the Company's focus for 2013 and the first half of 2014 has been to minimize costs as the Company sought longer-term financing to carry out a drilling program. With the completion of the Company's private placement for gross proceeds of $5 million in July 2014, the Company commenced plans for a 15,000 metre drilling program. The results for the three months ended September 30, 2014 include $744,966 of share-based payment expense which accounted for approximately 58% of the Company's loss for that period.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Odin's expenses and mineral property costs is provided earlier in this MD&A and in Note 6 of Company's unaudited condensed consolidated interim financial statements for the periods ended September 30, 2014 and 2013.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2014, the Company had cash and cash equivalents of $3,880,030 compared to cash and cash equivalents of $141,338 at December 31, 2013. The Company's working capital at September 30, 2014 was $3,756,970 compared to deficit of $88,017 at December 31, 2013. The Company's cash and current assets, at September 30, 2014, are sufficient to meet the Company's current liabilities.

Working capital is defined as current assets minus current liabilities. Working capital calculations or changes are not measures of financial performance, nor do they have standardized meanings, under IFRS. Readers are cautioned that this calculation may differ among companies and analysts and therefore may not be directly comparable. Management believes that disclosure of the Company's working capital is of value to assess the available capital resources of the Company at a reporting period end.

At September 30, 2014, the majority of the Company's cash and cash equivalents was held at Scotiabank, a major chartered bank in Canada, and approximately $50,000 was held at one bank in Ecuador. There are no known liquidity issues associated with any of the banks in which funds have been deposited.

The Company had no long-term debt obligations or off-balance sheet arrangements at September 30, 2014.

As described earlier in this MD&A under "Overview of Significant Events and Review of Activities – Corporate Matters," the Company closed a private placement for gross proceeds of $5,000,000 in July 2014. Following the closing of the financing, the Company has eliminated all loan debt and made its committed $460,000 property option payment due in July 2014. The Company has commenced a drilling program and has a further option payment that is due on July 30, 2015 in the amount of $1,400,000.

While the financing raised sufficient funds for the Company to commence the drilling program, additional capital will be required to ensure the continuance of operations to complete the planned 15,000 metre program and to secure the $1.4 million option payment. Accordingly, the Company will need to secure additional financing in the future or will be required to curtail currently planned levels of activity. There can be no assurance that the Company will be successful in raising additional funding, or that such funding will be available on terms that are satisfactory to the Company.

To date, the capital requirements of Odin have been met by equity or loan proceeds. As noted in Note 2(b) to the unaudited condensed consolidated interim financial statements of the Company at September 30, 2014, the Company has incurred cumulative losses of $16,369,375 as at September 30, 2014. The Company's ability to continue as a going concern is dependent upon successfully obtaining additional financing. The ability to raise additional financing, for future activities beyond those contemplated by the afore-mentioned financing activity, may be impaired, or such financing may not be available on favourable terms, due to conditions beyond the control of the Company, such as uncertainty in the capital markets or depressed commodity prices. This is discussed in more detail in the "Risks and Uncertainties" section of this MD&A.

FINANCIAL INSTRUMENTS

At September 30, 2014, the Company's financial instruments consist of cash and cash equivalents, receivables and accounts payable and accrued liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and may involve significant uncertainties in matters of judgment and, therefore, cannot be determined with precision. The fair values of the Company's financial instruments approximate their carrying values due to their short term to maturity or capacity for prompt liquidation.

The Company's financial instruments have been classified as follows under IFRS:

- Cash and cash equivalents: loans and receivables.
- Receivables: loans and receivables.
- Accounts payable and accrued liabilities: other financial liabilities.

The types of financial risk exposure and the way in which such exposure is managed by the Company is as follows:

Credit Risk

It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments, as disclosed in Note 14(a) to the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2014.

The Company's exposure to credit risk on its cash and cash equivalents is limited by maintaining these assets with high-credit quality financial institutions. The Company may be exposed to the credit risk of its bank in Ecuador which holds cash for the Company's Ecuadorean operations. The Company limits its exposure to this risk by maintaining minimal cash balances in Ecuador, normally sufficient to fund the next month's operations.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its obligations. The Company typically forecasts cash flows for a period of twelve months to identify financial requirements. These requirements are met through a combination of cash on hand, disposition of assets, accessing capital markets and loan advances.

At September 30, 2014, the Company's current liabilities consisted of accounts payable and accrued liabilities of $157,523 which are due primarily within the next quarter. The Company's cash and cash equivalents of $3,883,030 at September 30, 2014 were sufficient to pay these current liabilities.

Market Risks

The market risks to which the Company is exposed are interest rate risk and currency risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of the Company will fluctuate because of changes in market interest rates. Included in net loss for the nine months ended September 30, 2014 is interest income earned on the Company's cash and cash equivalents. Based on the Company's cash and cash equivalents at September 30, 2014, and assuming that all other variables remain constant, a 1% increase or decrease in interest rates would result in a decrease or increase to the Company's net loss of approximately $38,900 (on an annualized basis).

Currency Risk

The functional currency of the Company and its subsidiaries is the U.S. dollar. The carrying amounts of monetary assets and liabilities denominated in currencies other than the U.S. dollar are subject to fluctuations in the underlying foreign currency exchange rates. Gains and losses on such items are included as a component of net loss for the period.

The Company is exposed to foreign exchange and currency risks arising from fluctuations in foreign exchange rates among the U.S. dollar and Canadian dollar and the degree of volatility of these rates. The Company raises funds from equity financings primarily in U.S. dollars. Canadian G&A expenses are primarily paid in Canadian dollars. The Company does not use derivative instruments to reduce its exposure to foreign exchange and currency risks.

At September 30, 2014 the Company's cash and cash equivalents were primarily held in Canadian and U.S. dollars as disclosed in Note 3 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2014. The Company estimates that a 1% fluctuation in foreign currency exchange rates compared to the U.S. dollar would have an impact of approximately $1,300 to the results of operations based upon the foreign currency financial instruments (including cash and cash equivalents) held at September 30, 2014.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's ability to access capital markets due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on net income and economic value due to commodity price movements and volatilities. The Company currently holds no financial instruments that have direct exposure to other price risks at September 30, 2014.

SHARE CAPITAL

As at the date of this MD&A, the Company had the following securities issued and outstanding:

Common shares:	119,350,351	
Common share purchase options:	4,445,000	exercisable between CAD$0.62 - CAD$1.25 per option.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The Company evaluates its estimates on an ongoing basis and bases them on various assumptions that are believed to be reasonable under the circumstances. The Company's estimates are used for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results are likely to differ from these estimates. Should the Company be unable to meet its ongoing obligations, the realizable value of its assets may decline materially from current estimates.

The accounting policy estimates and judgments described below are considered by management to be essential to the understanding and reasoning used in the preparation of the Company's consolidated financial statements and the uncertainties that could have a bearing on its financial results. Further details, and a description of certain other areas of estimation and judgment can also be found at Note 4 in the Company's audited consolidated financial statements for the year ended December 31, 2013 and Note 2(d) to the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2014.

Determination of functional currency

The determination of functional currency of the Company and its subsidiaries requires an analysis of various indicators which IFRS splits between primary and additional indicators. Management review and consideration lead to the determination that the functional currency for Odin and its subsidiaries is the U.S. dollar given that the Company seeks to raise equity financing in U.S. dollars and incurs a majority of expenditures in U.S. dollars, especially with regard to Ecuador which has adopted the U.S. dollar. A more detailed description of the IFRS indicators can be viewed at Note 2(d) of the Company's unaudited condensed consolidated interim financial statements for the period ended September 30, 2014.

Exploration and evaluation assets

The application of the Group's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale of the asset under review. Furthermore, the assessment as to whether economically recoverable resources exist is itself an estimation process. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off to profit or loss in the period when the new information becomes available.

Share-based payments

The Company utilizes the Black-Scholes Option Pricing Model ("Black-Scholes") to estimate the fair value of stock options granted to directors, officers and employees. The use of Black-Scholes requires management to make various estimates and assumptions that impact the value assigned to the stock options including the forecast future volatility of the stock price, the risk-free interest rate, dividend yield and the expected life of the stock options. Any changes in these assumptions could have a material impact on the share-based payment calculation value.

Impairment of assets

Determining an asset or cash-generating unit's recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted by an appropriate discount rate to determine the net present value. Management has assessed its cash-generating unit as being its Ecuadorean operation, which is the lowest level for which cash inflows could potentially under future operations be largely independent of other assets.

Deferred tax assets

Management assesses the probability of future taxable income against which deferred tax assets can be utilized. Such information is based on the Company's future planned activities, supported by budgets that have been approved by the Board of Directors. Management also considers the tax rules of the various jurisdictions in which the Company and its subsidiaries operate. These assessments can change materially over time as a result of the Company's plans and activities as well as amended tax laws being enacted by relevant tax authorities.

CHANGES IN ACCOUNTING STANDARDS

The IASB, from time to time, issues new accounting standards that may impact the Company's future reported financial statements:

IFRS 15 – Revenue from Contracts with Customers

The IASB issued IFRS 15 in May 2014. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 is effective for annual periods beginning on or after January 1, 2017 and is to be applied retrospectively with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Group's consolidated financial statements, however, the Company currently has no operating revenues, this is not anticipated to be significant.

IFRS 9 – Financial Instruments

The IASB published the final version of IFRS 9 in July 2014. The final standard brings together the classification, measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes a loss impairment model, amends the classification and measurement model for financial assets and provides additional guidance on how to apply the business model and contractual characteristics test. This final version of IFRS 9 supersedes all previous versions of IFRS 9 and is effective for annual periods commencing on or after January 1, 2018, with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Group's consolidated financial statements.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, operational, environmental, market price for metals, social, political, financial and economic. Additionally, due to factors that cannot be predicted or foreseen, few exploration projects successfully achieve development. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not listed in order of importance and are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

(1) The mineral property interests of the Company are in the exploration stage only and consequently, exploration of the Company's mineral property interests may not result in any discoveries of commercial bodies of mineralization.

The property interests owned by the Company are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The Company's mineral exploration activities may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

(2) The business of exploration for minerals involves a high degree of risk; as a result, few properties that are explored are ultimately developed into producing mines.

The Company's exploration activities are subject to a high degree of risk due to factors that, in some cases, cannot be foreseen or anticipated. The operations of the Company may be disrupted by a variety of risks and hazards which may be beyond the control of the Company. These risks include, but are not limited to, labour disruptions, the inability to obtain adequate sources of power, water, labour, suitable or adequate machinery and equipment and consultants or other experts. In addition, the Company may be unable to acquire or obtain such things as water rights and surface rights, which may be critical for the continued advancement of exploration activities on its mineral property rights.

(3) Government expropriation may result in the total loss of the Company's mineral property interests.

Even if the Company's mineral property interests are proven to host economic mineral resources of copper or other precious or non-precious metals, governmental expropriation may result in the total loss of the Company's mineral property interests without any compensation to the Company.

(4) Governmental regulation may have negative impacts on the Company.

The Company's assets and activities are subject to extensive Canadian and Ecuadorian federal, state, provincial, territorial and local laws and regulations governing various matters, including, but not limited to:

- environmental legislation and protection;
- management and use of toxic substances and explosives;
- management of natural resources;
- exploration, development of mines, production and post-closure reclamation;
- exports;
- taxation;
- mining royalties;
- onerous development requirements;
- restrictions on the movement of capital into and out of Ecuador which could impact the Company's ability to repatriate funds and therefore, pay dividends;
- labour standards and occupational health and safety, including mine safety; and
- historic and cultural preservation.

The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations, changes to existing laws and regulations or more stringent application and enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations, and delays in the development of its properties. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits against the Company based upon damage to property and injury to persons resulting from the environmental, health and safety impacts of the Company's past and current operations, or possibly even those actions of parties from whom the Company acquired its properties, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. It is difficult to strictly comply with all regulations imposed on the Company. The Company retains competent and well trained individuals and consultants in jurisdictions in which it does business; however, there is no certainty that the Company will continuously be compliant with all applicable laws. The failure to comply with all applicable laws could lead to financial restatements, fines, penalties and other material negative impacts on the Company.

(5) Failure to comply strictly with applicable mining laws, regulations and local practices may have a material adverse impact on the Company's operations or business.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction, cancellation or expropriations of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Any such loss, reduction or imposition of partners could have a material adverse impact on the Company's operations or business. Further, the increasing complexity of mining laws and regulations may render the Company incapable of strict compliance.

(6) The exploration and future development of the Company's property interests are subject to extensive environmental laws and regulations.

The Company's exploration activities are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and protected species. The Company's ability to obtain permits and approvals and to successfully operate in particular locations may be adversely impacted by real or perceived detrimental events associated with the Company's activities or those of other mining companies affecting the environment, human health, and safety of the surrounding communities. Delays in obtaining or failure to obtain government permits and approvals may adversely affect the Company's ability to explore or develop its properties. The Company has made, and expects to make in the future, significant expenditures to comply with such laws and regulations and to the extent reasonably possible, create social and economic benefit in nearby communities. From time to time, the Greater Cangrejos mineral properties have been subject to illegal mining activity, which has been reported and dealt with by the Company using procedures available to it under Ecuadorean law. However, the Company may be required to remediate impacted areas from the activities that were carried out. Future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have an adverse impact on the Company's financial condition.

(7) The Company may not be able to obtain or renew permits that are necessary to its operations.

In the ordinary course of business, the Company is required to obtain and renew governmental permits for existing operations and any ultimate development, construction and commencement of new mining operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process, which at times may involve several jurisdictions, and may require public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain and renew permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by permitting authorities. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from a given property once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

(8) The Company has no significant source of operating cash flow and failure to generate revenues in the future could cause the Company to go out of business.

The Company has no revenues from ongoing operations and has recorded significant accumulated losses. Based upon current plans, the Company expects to incur operating losses in future periods due to continuing expenses associated with the holding and exploration of the Company's mineral property interests. The Company has limited financial resources and its ability to achieve and maintain profitability and positive cash flow is dependent upon the Company being able to:

- locate a profitable mineral property;
- generate revenues in excess of expenditures; and
- contain exploration and administrative costs in the event revenues are insufficient, in order to preserve available cash.

Additional funds raised by the Company through the issuance of equity or convertible debt securities will cause the Company's current shareholders to experience dilution. Such securities may grant rights, preferences or privileges senior to those of the Company's common shareholders. There is no certainty the Company will be able to raise funds in the event it needs to do so.

The Company does not have any contractual restrictions on its ability to incur debt and accordingly, the Company could incur significant amounts of indebtedness to finance its operations. Any such indebtedness could contain covenants, which would restrict the Company's operations.

(9) The mineral exploration industry is intensely competitive in all its phases and the Company competes with many companies possessing greater financial resources and technical abilities.

The mineral exploration industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical abilities than itself for the acquisition of mineral concessions, claims, leases, other mineral interests, and equipment required to conduct its activities as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates and global or regional consumption patterns, speculative activities, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

(10) Substantial expenditures are required to be made by the Company to establish mineral reserves and the Company may not either discover minerals in sufficient quantities or grade or may not have the necessary required funds.

Substantial expenditures are required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources in accordance with the Canadian Institute of Mining (CIM) Guidelines. Although substantial benefits may be derived from the discovery of a major mineralized deposit, the Company may not discover minerals in sufficient quantities or grades to justify commercial operation and the funds required for development may not be obtained on a timely basis. Estimates of mineral reserves and mineral resources can also be affected by environmental factors, unforeseen technical difficulties and unusual or unexpected geological formations. In addition, the grade of mineral ultimately mined may differ from that indicated by drilling results. Material changes in mineral reserve or mineral resource estimates, grades, stripping ratios or recovery rates may affect the economic viability of any project.

(11) Risks relating to estimates of mineral resources, production, purchases, costs, decommissioning or reclamation expenses, proving to be inaccurate.

Unless otherwise indicated, mineralization figures presented in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Company personnel and independent geologists. These estimates are inherently imprecise, as they depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. As a result, there can be no assurance that:

- mineral resource or other mineralization figures or estimates of costs (including initial capital costs and initial capital intensity) and expenses will be accurate; or that
- this mineralization could be mined or processed profitably.

Because the Company has not commenced production at any of its properties, nor defined or delineated any proven or probable reserves, mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or at production scale. The mineral resource estimates contained in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for gold or other metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization.

The estimated parameters for the Company's projects may be changed as development and mining plans continue to be developed and refined. These parameters include estimates of how plants, equipment and processes may operate in the future at the Company's projects, which estimates may prove to be incorrect.

Any material alteration in the above noted estimates, or of the Company's ability to extract mineralization from its projects, could have a material adverse effect on the Company's results of operations or financial condition.

(12) The inherent operational risks associated with mining, including mineral exploration, development, mine construction and operating activities, many of which are beyond the Company's control.

The Company's exploration activities are subject to a high degree of risk due to factors that, in some cases, cannot be foreseen or anticipated, nor controlled. These risks include, but are not limited to, labour disruptions, the inability to obtain adequate sources of power, water, labour, suitable or adequate machinery and equipment, and expert consultants. In addition, the

Company may be unable to acquire or obtain such things as water rights and surface rights, which may be critical for the continued advancement of exploration activities on its mineral concessions.

(13) Inadequate infrastructure may adversely affect the Company's operations and profitability.

Mining, development, exploration and production activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay development of the Company's project. If adequate infrastructure is not available in a timely manner, there can be no assurance that the development of the Company's project will be commenced or completed on a timely basis, if at all. In addition, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

(14) The Company currently has limited insurance covering its assets and operations and as a consequence, could incur considerable costs.

Mineral exploration involves risks, which, even with a combination of experience, knowledge and careful evaluation, mineral exploration companies may not be able to overcome. Operations in which the Company has a direct or indirect interest may be subject to all the hazards and risks normally incidental to exploration of precious and non-precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage. The Company presently has very limited commercial liability insurance and does not presently intend to increase its liability insurance. As a result of having limited insurance, the Company could incur significant costs that could have a materially adverse effect upon its financial condition and even cause the Company to cease operations.

(15) The Company's mineral property interests or surface property may be subject to prior unregistered agreements or transfers and therefore title to some of the Company's property interests may be affected.

Although the Company has sought and received such representations as it has been able to achieve from vendors in connection with the acquisition of or options to acquire an interest in its mining properties and surface rights, and has conducted limited investigations of legal title to each such property, the properties in which the Company has an interest may be subject to prior unregistered agreements or transfers or native land claims, or it is possible that title may be affected by undetected defects.

(16) The price of gold, copper, base and precious metals has fluctuated widely in recent years and may adversely affect the economic viability of any of the Company's mineral properties.

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of gold, copper and other precious and non-precious metals. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control, including: international economic and political trends; expectations of inflation; currency exchange fluctuations; interest rates; consumption patterns; speculative activities; and, increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of gold, copper, base and precious metals and therefore, the economic viability of any of the Company's mining properties, cannot be accurately predicted, but nonetheless may adversely affect the Company's operations and its ability to raise capital.

(17) All of the Company's subsidiaries and its mineral properties are in foreign countries and as such, that portion of the Company's business may be exposed to various levels of political, economic and other risks and uncertainties.

As the Company's mineral properties, and related subsidiary company, are located in Ecuador, a developing country, it is exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to: terrorism; hostage taking; military repression; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining operations and the government's enforcement of norms restricting these activities; changes in taxation and mining policies, laws and regulations; changes to the foreign exchange regime; changes to the currency regime; restrictions on repatriation of funds; and changing political conditions, currency controls and governmental regulations that may favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. The status of Ecuador as a developing country with a recent track record of measures viewed as contrary to attracting investment in the mining sector, may make it more difficult for the Company to obtain any required exploration financing for its projects.

Changes, if any, in mining or investment policies or shifts in political attitude in Ecuador, El Oro Department or local political jurisdictions, may adversely affect the Company's operations or potential profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to: restrictions on production; price controls; export controls; currency remittances; taxes, including income taxes, property taxes, windfall taxes, and the sovereign tax adjustment; royalties; expropriation of property; foreign investment; maintenance of claims; environmental legislation; land use; land claims or other demands of local people; illegal mining operations; water use; and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties, none of which can be accurately predicted, could have an adverse effect on the Company's operations or potential profitability.

(18) The Company's foreign subsidiary operations may impact the ability to fund operations efficiently, as well as the Company's valuation and stock price.

The Company conducts operations through foreign subsidiaries and substantially all of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

(19) The possible issuance of additional shares may impact the value of the Company's common shares.

The Company is authorized to issue up to 200,000,000 common shares without par value. The Company may issue more common shares in the future. Sales of substantial amounts of common shares (including shares issuable upon the exercise of stock options), or the perception that such sales could occur, could materially adversely affect prevailing market prices for the common shares and the ability of the Company to raise equity capital in the future.

(20) The Company's future performance is dependent on key personnel. The loss of the services of any of the Company's and its subsidiary's executives or directors could have a material adverse effect on the Company's business.

The Company's performance is substantially dependent on the performance and continued efforts of the Company's executives and its board of directors. The loss of the services of any of the Company's executives or directors could have a material adverse effect on the Company business, results of operations and financial condition. The Company currently does not carry any key person insurance on any of its executives or directors. The Company has limited resources and is currently unable to compete with larger organizations with respect to compensation and perquisites.

(21) The Company is exposed to financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar.

The Company's overseas expenditures are predominantly in U.S. dollars. The Company is exposed to financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar, and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risks.