Introduction

The following interim Management Discussion & Analysis ("Interim MD&A") of Inventus Mining Corp. (the "Company") for the three months ended March 31, 2016 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2015. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended December 31, 2015, and December 31, 2014, together with the notes thereto, and unaudited condensed consolidated interim financial statements for the three months ended March 31, 2016, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed consolidated interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of May 24, 2016, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at www.sedar.com.

Caution Note Regarding Forward-Looking Statements

Certain statements contained in this Interim MD&A and in certain documents incorporated by reference in this Interim MD&A, constitute forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The

forward-looking statements in this Interim MD&A speak only as of the date of (i) this Interim MD&A or (ii) as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending March 31, 2017, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The principal business of the Company is the acquisition and advancement of mineral projects which conform to geological models for world class gold deposits and or magmatic sulphide deposits. To date, the Company has not earned any revenue from operations.

The principal mineral asset of the Company at the date of this Interim MD&A is the Pardo Property located north-east of Sudbury, Ontario.

On May 1, 2015, the Company announced that it changed its name from Ginguro Exploration Inc. to Inventus Mining Corp. The Company is a reporting issuer in British Columbia, Alberta and

Ontario and has traded on the TSX Venture Exchange ("TSXV") under the symbol "IVS" since May 5, 2015.

At the annual meeting of shareholders on May 5, 2016, the shareholders of the Company approved to consolidate the number of issued and outstanding common shares on a one (1) for two (2) basis (the "Share Consolidation"). On May 12, 2016, the Company completed the Share Consolidation. As part of the Share Consolidation, stock options and warrants were also consolidated and the exercise price adjusted to reflect the consolidation. The Share Consolidation has been reflected in the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2016 and Interim MD&A and all applicable references to the number of shares, stock options and warrants and their strike price and per share information have been restated.

Operational Highlights

Corporate

Effective April 1, 2016, the Company entered into a promissory note with a third party to lend the Company $25,000. The promissory note incurs an interest rate of 8% per annum and is repayable in full on demand. On April 26, 2016, the Company fully repaid the promissory note in full.

On April 11, 2016, the Company announced the closing of a non-brokered private placement of $1.3 million in principal amount of senior secured convertible debentures (the "Offering") at a price of $100,000 and integral multiples thereof per debenture ("Debentures"). The Debentures will have an interest rate of 8% per year, calculated semi-annually from their date of issuance and will mature on the date that is two (2) years from the date of issuance (the "Maturity Date"). At the option of the lenders, principal under the Debenture is convertible (the "Conversion") into common shares of the Company (the "Conversion Shares") at a conversion price of $0.05 per Conversion Share until the date that is twelve months prior to the Maturity Date or at a conversion price of $0.10 per Conversion Share thereafter, however, the lenders may only exercise their right to Conversion following completion of a consolidation (the "Consolidation") of the common shares of the Company on a minimum basis of two (2) (old) common shares for one (1) (new) common share, and up to or on the Maturity Date. Certain insiders of the Company may participate in the Offering.

The Company intends to use the net proceeds of the Offering on the development of its bulk sampling program at its Pardo Property and for general working purposes.

In connection with the Offering, Mr. Wayne Whymark, Chairman and Chief Executive Officer ("CEO") of the Company, acquired a flow-through special warrant (the "Special Warrants") in the amount $250,000 exercisable at $0.05 per Special Warrant into common shares of the Company on completion of the Consolidation, and Evanachan Limited ("Evanachan"), a company wholly-owned by Robert R. McEwen, purchased $500,000 of Debentures.

On April 26, 2016, the Company repaid promissory notes in the amount of $76,129.

On May 12, 2016, Eric Sprott exercised, in full, his right to convert his previously acquired Debentures. The Debentures became convertible into common share of the Company as a result of the Company Share Consolidation. Mr. Sprott converted his $500,000 principal amount of Debentures at a price of $0.05 per share and as a result, Mr. Sprott acquired 10,000,000

common shares of the Company. After giving effect to the Share Consolidation and conversion of Debentures, Mr. Sprott owns approximately 13.6% of the issued and outstanding common shares of the Company.

Exploration update

Information relating to exploration results has been prepared under the supervision of Mr. Andy Bite P.Geo., and is a Qualified Person within the meaning of National Instrument 43-101.

During the three months ended March 31, 2016, the Company expensed $1,501 on exploration and evaluation expenditures, compared to $124,367 during the three months ended March 31, 2015. The decrease is primarily due to the timing of the Company's exploration program on the Pardo Property, as well as having sufficient funds to pursue the exploration program. Refer to the subheading "Liquidity and Financial Position" under heading "Financial Highlights" below.

Pardo JV Property

The following table summarizes the Company's current plans at the Pardo Property, the total estimated costs, and total expenditures incurred to date.

Activities Completed (Three Months Ended March 31, 2016)	Plans for the Project	(A) Spent (approx.)	(B) Planned Expenditures (approx.)
No activities incurred other than maintenance costs	The intention is to conduct a substantial bulk sample on the Pardo Property [(1)]	$nil	$1,000,000
	Maintenance costs	$1,501	$nil
Subtotals		**$1,501**	**$1,000,000**
Total (A+B)			**$1,001,501**

[(1)] The J.V. management committee have to approve the proposed J.V. program and budget for 2016.

McNish Property

The following table summarizes the Company's current plans at the McNish Property, the total estimated costs, and total expenditures incurred to date.

Activities Completed (Three Months Ended March 31, 2016)	Plans for the Project	(A) Spent (approx.)	(B) Planned Expenditures (approx.)
Staking	No plans at this time.	$nil	$nil
Subtotals		**$nil**	**$nil**
Total (A+B)			**$nil**

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the quarter, equity markets in Canada showed signs of improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The noted transactions below are in the normal course of business.

Salaries paid, or otherwise accrued, to key management personnel (defined as the CEO, the former Chief Financial Officer ("CFO"), the Chairman of the Company, and directors) for the three months ended March 31, 2016 totaled $nil (three months ended March 31, 2015 - $103,469). As at March 31, 2016, key management personnel was owed $656 (December 31, 2015 - $3,420) and these amounts were included in accounts payable and accrued liabilities.

The Company entered into a promissory note with the Chairman for the monies owing in the amount of $266,500. The promissory note incurs an interest rate of prime plus 1% per annum and matures at the earlier of (i) the date in which a default occurs, (ii) the date of which the Company completes an equity financing or series of equity financings resulting in aggregate gross proceeds to the Company of not less than $1.5M and (iii) October 30, 2017.

During the three months ended March 31, 2016, the Company paid professional fees and disbursements of $10,050 (three months ended March 31, 2015 - $nil) to Marrelli Support Services Inc. ("Marrelli Support"), an organization of which Carmelo Marrelli is president. Carmelo Marrelli is the CFO of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at March 31, 2016, Marrelli Support was owed $nil (December 31, 2015 - $3,550) and these amounts were included in accounts payable and accrued liabilities.

During the three months ended March 31, 2016, the Company paid professional fees and disbursements of $4,114 (three months ended March 31, 2015 - $nil) to DSA Corporate Services Inc. ("DSA"), an organization of which Carmelo Marrelli controls. Carmelo Marrelli is also the corporate secretary and sole director to DSA. These services were incurred in the normal course of operations of corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at March 31, 2016, DSA was owed $1,999 (December 31, 2015 - $2,304) and these amounts were included in accounts payable and accrued liabilities.

To the knowledge of the directors and officers of the Company, as at March 31, 2016, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all the common shares of the

Company other than Robert R. McEwen that controls 7,687,500 common shares or approximately 18.05% of the shares outstanding.

Financial Highlights

Financial Performance

The Company's net loss totaled $63,235 for the three months ended March 31, 2016, with basic and diluted loss per share of $0.00. This compares with a net loss of $353,771 with basic and diluted loss per share of $0.01 for the three months ended March 31, 2015. The decrease in net loss of $290,536 was principally because:

- The decrease in exploration and evaluation expenditures of $122,866 for the three months ended March 31, 2016, compared to the three months ended March 31, 2015, can be attributed to decreased exploration expenditures related to the Pardo Property. Refer to subheading "Liquidity and Financial Position" under heading "Financial Highlights" for a summary of the Company's exploration program at the Pardo Property.

- Office and general expenses decreased to $18,840 for the three months ended March 31, 2016, compared with $192,074 for the same period in 2015. The decrease is due to salaries and benefits of $904 included in office and general for the three months ended March 31, 2016 compared with $129,302 for the same period in 2015.

- Professional fees increased to $39,712 for the three months ended March 31, 2016 compared with $11,239 for the same period in 2015. The increase was primarily due to higher support costs for the Company's operations.

- Interest expense increased to $3,182 during the three months ended March 31, 2016, compared to $nil during the three months ended March 31, 2015. This increase is due to interest charged on the promissory notes with the Chairman of the Company and a third party.

- Impairment of equipment decreased to $nil during the three months ended March 31, 2016, compared to $21,105 during the three months ended March 31, 2015. This decrease is due to the impairment of the Company's vehicles during the three months ended March 31, 2015.

- All other expenses related to general working capital.

The Company's total assets at March 31, 2016 were $69,593 (December 31, 2015 - $85,008 against total liabilities of $355,286 (December 31, 2015 - $296,993). The decrease in total assets of $15,415 resulted from cash spend on operating costs which was offset by cash received from promissory notes. The Company does not have sufficient current assets to pay its existing liabilities of $355,286 at March 31, 2016. However, the Company completed the Offering of $1.3 million subsequent to March 31, 2016 (refer to "Subsequent Events" below).

Cash Flow

At March 31, 2016, the Company had cash and cash equivalents of $30,702 at March 31, 2016, compared to $58,935 at December 31, 2015. The decrease in cash and cash equivalents of $28,233 from the December 31, 2015 cash and cash equivalents balance of $58,935 was as a

result of cash outflow in operating activities of $67,760. Operating activities were affected by adjustments of interest expense of $3,182 and net change in non-cash working capital balances of $7,707 because of an increase in prepaid expenses and other current assets of $10,952, an increase in amounts receivable of $1,866 and an increase in accounts payable and accrued liabilities of $5,111. Financing activities increased to $39,527 through the issue of promissory notes in the amount of $50,000 offset by share issue costs of $10,473.

Liquidity and Financial Position

The Company derives no income from operations, as all of its projects since inception have been exploration projects. Accordingly, the activities of the Company have been financed by cash raised through promissory notes, private placements of securities, the exercise of warrants and its initial public offering. As the Company does not expect to generate cash flows from operations in the near future, it will continue to rely primarily upon the sale of securities to raise capital. As a result, the availability of financing, as and when needed, to fund the Company's activities cannot be assured. See "Risk Factors" below.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2016, the Company is not compliant with TSXV Policy 2.5, however the situation changed after the completion of the Offering of $1.3 million subsequent to March 31, 2016 (refer to "Subsequent Events" below).

During fiscal 2016, the Company's corporate head office costs are estimated to average less than $70,000 per quarter. Head office costs include professional fees, reporting issuer costs, business development costs and general and administrative costs. Head office costs exclude project generation and evaluation costs. The cost of acquisition and work commitments on the new acquisitions cannot be accurately estimated.

The Company's cash and cash equivalents at March 31, 2016 are not anticipated to be sufficient to fund its remaining exploration budget of $1.0 million (subject to the J.V. management committee approving the bulk sample budget for 2016 at the date of this Interim MD&A), accounts payable and accrued liabilities and promissory notes totally $355,286 and the estimated remaining operating expenses of $210,000 ($70,000 per quarter), for fiscal 2016. The Company will have to raise equity capital in amounts sufficient to fund both exploration work and working capital requirements. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or under terms favourable to the Company. See "Risk Factors" below and "Caution Note Regarding Forward-Looking Statements" above.

Subsequent to March 31, 2016, the Company completed the Offering of $1.3 million (refer to "Subsequent Events" below).

Additional measures have been undertaken or are under consideration to further reduce corporate overhead.

Outlook

The Company intends to continue exploring the Pardo Property. The Company is mindful that the gold price could fall with little or no warning. Accordingly, its plans for the near term are to monitor market fundamentals, complete the bulk sampling program at the Pardo Property and to ensure that the Company is well positioned to weather any possible resurgence of a market downturn. Currently, access to capital to fund small exploration companies is difficult. See "Risk Factors".

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2015, available on SEDAR at **www.sedar.com**.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements; and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed consolidated interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Changes in Accounting Policies

During the year ended December 31, 2015, the Company retrospectively changed its accounting policy for exploration and evaluation expenditures. Previously, the Company capitalized acquisition costs and deferred exploration and evaluation expenditures of mineral properties to the specific mineral properties, net of recoveries received.

Under the new policy, exploration and evaluation expenditures incurred prior to the establishment of technical feasibility and commercial viability of extracting mineral resources and prior to a decision to proceed with mine development are charged to operations as incurred. As required by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the Company included the restated consolidated statement of financial position as at December 31, 2014, restated unaudited condensed consolidated interim statement of loss and comprehensive loss for the three months ended March 31, 2015 and restated unaudited condensed consolidated interim statement of cash flows for the three months ended March 31, 2015. Management considers this accounting policy to provide more reliable and relevant information and more clearly represents the Company's activities.

The consolidated financial statement impact as at December 31, 2014 is as follows:

Statement of Financial Position	As previously reported ($)	Effect of restatement ($)	As restated ($)
Mineral properties and deferred exploration expenditures	8,043,204	(8,043,204)	nil
Total non-current assets	10,589,879	(8,043,204)	2,546,675
Total assets	11,573,662	(8,043,204)	3,530,458
Deferred income tax liability	660,041	(660,041)	nil
Total liabilities	827,848	(660,041)	167,807
Deficit	(4,703,973)	(7,383,163)	(12,087,136)
Total shareholders' equity	10,745,814	(7,383,163)	3,362,651
Total liabilities and shareholders' equity	11,573,662	(8,043,204)	3,530,458

The consolidated financial statement impact as at and for the three months ended March 31, 2015 is as follows:

Statement of Financial Position	As previously reported ($)	Effect of restatement ($)	As restated ($)
Mineral properties and deferred exploration expenditures	8,167,571	(8,167,571)	nil
Total non-current assets	10,689,575	(8,167,571)	2,522,004
Total assets	11,233,022	(8,167,571)	3,065,451
Deferred income tax liability	660,041	(660,041)	nil
Total liabilities	716,612	(660,041)	56,571
Deficit	(4,933,377)	(7,507,530)	(12,440,907)
Total shareholders' equity	10,516,410	(7,507,530)	3,008,880
Total liabilities and shareholders' equity	11,233,022	(8,167,571)	3,065,451

Statement of Loss and Comprehensive Loss	As previously reported ($)	Effect of restatement ($)	As restated ($)
Exploration and evaluation expenditures	nil	124,367	124,367
Net loss and comprehensive loss for the period	(229,404)	(124,367)	(353,771)
Basic and diluted loss per period	(0.00)	(0.01)	(0.01)

Statement of Cash Flows	As previously reported ($)	Effect of restatement ($)	As restated ($)
Net loss for the period	(229,404)	(124,367)	(353,771)
Cash flows used in operating activities	(304,840)	(124,367)	(429,207)
Deferred exploration expenditures incurred	(124,367)	124,367	nil
Cash flows (used in) provided by investing activities	(124,367)	124,367	nil

Subsequent Events

(i) Effective April 1, 2016, the Company entered into a promissory note with a third party to lend the Company $25,000. The promissory note incurs an interest rate of 8% per annum and is repayable in full on demand. On April 26, 2016, the Company fully repaid the promissory note.

(ii) On April 11, 2016, the Company announced the closing of the Offering at a price of $100,000 and integral multiples thereof per Debentures. The Debentures will have an interest rate of 8% per year, calculated semi-annually from their date of issuance and will mature on the date that is two (2) years from the date of issuance. At the option of the lenders, principal under the Debenture is convertible into common shares of the Company at a conversion price of $0.05 per Conversion Share until the date that is twelve months prior to the Maturity Date or at a conversion price of $0.10 per Conversion Share thereafter, however, the lenders may only exercise their right

to Conversion following completion of a consolidation of the common shares of the Company on a minimum basis of two (2) (old) common shares for one (1) (new) common share, and up to or on the Maturity Date. Certain insiders of the Company may participate in the Offering.

The Company intends to use the net proceeds of the Offering on the development of its bulk sampling program at its Pardo Property and for general working purposes.

In connection with the Offering, Mr. Wayne Whymark, Chairman and CEO of the Company, acquired Special Warrants in the amount $250,000 exercisable at $0.05 per Special Warrant into common shares of the Company on completion of the Share Consolidation, and Evanachan, a company wholly-owned by Robert R. McEwen, purchased $500,000 of Debentures.

(iii) On May 12, 2016, the Company completed the Share Consolidation to consolidate its issued and outstanding common shares on a one (1) for two (2) basis. At the annual meeting of shareholders on May 5, 2016, the shareholders of the Company approved to the Share Consolidation.

(iv) On April 26, 2016, the Company repaid promissory notes in the amount of $76,129.

(v) On May 12, 2016, Eric Sprott exercised, in full, his right to convert his previously acquired Debentures. The Debentures became convertible into common share of the Company as a result of the Company Share Consolidation. Mr. Sprott converted his $500,000 principal amount of Debentures at a price of $0.05 per share and as a result, Mr. Sprott acquired 10,000,000 common shares of the Company. After giving effect to the Share Consolidation and conversion of Debentures, Mr. Sprott owns approximately 13.6% of the issued and outstanding common shares of the Company.