

Form 51-102F1
Interim Management Discussion and Analysis For
Kaminak Gold Corporation (“Kaminak” or “KAM” or the “Company”)

Containing information up to and including May 18, 2011.

Note to Reader

Readers of the following management discussion and analysis (MD&A) should refer to the Company’s audited financial statements for the period ended September 30, 2010 and the related Management Discussion and Analysis as filed with SEDAR, available at www.sedar.com.

This interim MD&A is an update to the Annual Management Discussion and Analysis and should be read in conjunction with the Company’s Unaudited interim financial statements for the six months ended March 31, 2011 together with the notes thereto, prepared by management in accordance with Canadian generally accepted accounting principles and expressed in Canadian Dollars.

Forward-Looking Information

When used in this document, words like “anticipate”, “believe”, “estimate” and “expect” and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management’s future plans, objects and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements.

Overall Performance

Kaminak was incorporated on July 4, 2005 under the Business Corporations Act (British Columbia), and is an exploration stage enterprise focusing on the acquisition, exploration and development of economic gold and other precious and base metal properties.

The Company became a reporting issuer in Alberta and British Columbia on November 9, 2005. On November 23, 2005, the Company’s shares became publicly trading on the TSX Venture Exchange (“TSXV”) under the symbol “KAM”.

Highlights of the Company’s activities during the period ended March 31, 2011:

Financing and Corporate

- On February 16, 2011, the Company announced a bought deal private placement, to sell 1,667,000 common shares (the “Common Shares”) of the Company at a price of C\$3.00 per Common Share and 1,389,000 flow-through common shares at a price of C\$3.60 per Flow-Through Share for aggregate gross proceeds of C\$10,001,400.

In addition, the Company has granted the Underwriters an option (the “Over-Allotment Option”), exercisable at any time up to 48 hours prior to the closing of the Offering, to purchase from the Company up to such number of additional Common Shares equal to 15%

of the Common Shares sold in the Offering at C\$3.00 and additional Flow-Through Shares equal to 15% of the number of Flow-Through Shares sold in the Offering at C\$3.60.

The Underwriters will receive a cash commission equivalent to 6% of the gross proceeds raised including any proceeds from the exercise of the Over-Allotment Option, and share purchase warrants entitling the Underwriters to purchase, within 24 months after closing of the Offering, common shares equal to 6% of the Offered Securities sold pursuant to the Offering at a price of C\$3.60.

- On January 4, 2011, the Company issued 20,000 options to an employee of the Company with an exercise price of \$2.96 per share.
- On January 6, 2011, the Company issued 200,000 options to a consultant of the Company with an exercise price of \$2.77 per share.
- On February 2, 2011, the Company issued 170,000 options to consultants and employees of the Company with an exercise price of \$2.95 per share.
- 47,500 options were exercised for total gross proceeds of \$32,750.

Exploration

A. January 12th 2011 The Company announced details of the Coffee exploration programme for the 2011 field season.

Highlights

- Board approval has been granted for the 2011 exploration budget on the Company's 100% owned Coffee Gold Project, located in the White Gold District. The first phase drill program is budgeted at \$15 million and is expected to begin in early April. Kaminak currently has over \$21 million in cash and has planned an aggressive drill program, which has been scheduled to allow a follow up second phase of drilling before freeze-up in the fall of 2011.
- April 15, 2011 start date expected for a program of 40,000m – 45,000m of core and reverse circulation drilling from 4 drills. The key objective will be to establish a National Instrument 43-101 compliant resource on priority zones.
- Each of the 8 gold zones discovered by Kaminak in 2010 will receive follow-up drilling in 2011, and newly-defined, high-quality, gold-in-soil anomalies, such as Americano West, Macchiato, and the newly recognized Sugar, will also be drill tested. The Sugar trend is located 35km east-southeast from Americano West.
- Initial emphasis will be on expanding the Latte – Double Double – Supremo gold trends. Each of these gold zones begin at surface and remain open in all directions.
- Up to 10,000 soil samples will be taken across the property including extensions to the existing high tenor anomalies at Coffee, systematic grid sampling over the newly defined Sugar trend gold-in-soil anomaly, and comprehensive first pass ridge and spur soil sampling across the remainder of the Coffee Property.

B. March 7th 2011 The Company announced further details of the Coffee exploration programme for the 2011 field season and completion of a 43-101 compliant Technical Report on 2010 activities.

Highlights

- Completion and filing of a technical report pursuant to National Instrument 43-101, which was prepared by SRK Consulting (Canada) Inc. titled “Technical Report, Coffee Gold Project, Yukon Territory, Canada”.
- SRK concluded that the results of exploration work completed to date at the Coffee Gold Project warrants the Phase One 2011 exploration program as planned by Kaminak.
- The Company has developed the following exploration strategy and timeline to complete the Phase One Exploration Program consisting of 40,000+ metres of drilling and 10,000 soil samples.
 - April 1, 2011: Mobilisation of field crews and re-opening of camps.
Geophysical surveys
 - April 15, 2011: Aggressive expansion drilling programs commence at Latte, Supremo, Double Double and Connector gold zones.
 - June 1, 2011: Soil Sampling commences at Coffee and regional targets including the new ‘Sugar’ trend
 - July 1, 2011: Kona, Americano and Espresso aggressive expansion drilling programs.
Commencement of Phase Two drilling programs towards compliant resources on priority zones.
- September 1, 2011: Drill test new targets including Sugar, Macchiato, Americano West and Cappuccino.

C. March 8th 2011 The Company announced details of initial metallurgical testwork completed on oxide material at the Coffee Gold Project, with outstanding gold recoveries of up to 98.5%.

Highlights

- Initial metallurgical test work comprising two samples of oxidized mineralized core from the Supremo and Latte gold deposits.
- Test work comprised basic cyanidation, carbon-in-leach (‘CIL’) and carbon-in-pulp (‘CIP’).
- Gold Recovery ranged from 96.2% to 98.5%, with average recoveries of 97.6% from CIL and 97.1% from CIP.
- No indications of refractory or coarse gold.
- Future testing will encompass other gold zones, transitional and fresh rock material, and experimentation of grind size, flotation and cyanidation to determine the optimum processing path.

Subsequent Events

Highlights of the Company’s activities subsequent to the period ended March 31, 2011:

- On April 8, 2011, the Company granted options to acquire 1,055,000 common shares with an exercise price of \$4.03 per share to April 8, 2016.

- On April 26, 2011, the Company granted options to acquire 20,000 common shares with an exercise price of \$3.75 per share to April 26, 2016.
- To May 18, 2011, 127,500 stock options were exercised for gross proceeds of \$53,550.
- Issued 1,250,000 shares and paid \$225,000 to Shawn Ryan as final payments on the option agreement to acquire 100% of the Coffee, Cream and Kirkman properties in the Yukon.
- April 8th 2011, the Company announced the appointment of Mr Garth Kirkham to the Board.
- April 19th 2011 The Company announced that the 2011 drill program has begun on the Company's 100% owned Coffee Gold Project, located in the White Gold District, Yukon Territory.

Highlights

- This program marks the start of just the second year of drilling, which aims to significantly build upon the highly successful 2010 program during which eight gold discoveries were made over the 15km by 5km Coffee Gold Project.
- Reverse circulation ('RC') drilling is underway at the Supremo Zone testing the 'T3 Trend', where gold mineralization was established over a 1.7km strike length from widely spaced diamond drilling undertaken during 2010.

The Company is planning to continue to carry out exploration of its mineral properties, and to evaluate new prospects and opportunities. The Company expects its March 31, 2011 working capital of \$32,402,284 to fund its operations and planned exploration activities for the coming year.

The Company is an exploration stage company and engages principally in the acquisition, exploration and development of resource properties. The Company capitalizes all acquisition and exploration costs until the property to which those costs are related is placed into production, sold, or abandoned. The decision to abandon a property is largely determined from exploration results and the amount and timing of the Company's write-offs of capitalized resource property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance. During the period ended March 31, 2011 resource property costs were increased by \$2,093,751 after capitalizing \$2,103,998 offset by write downs of \$10,247 (September 30, 2010 – increase of \$8,417,200 after capitalizing \$10,145,979 offset by write downs of \$1,728,779). As at March 31, 2011, the Company's investment in resource property costs totalled \$13,882,367 (September 30, 2010 - \$11,788,616) details of the cost break-down are contained in the Consolidated Schedule of Resource Property Costs in the financial statements.

Results of Operations

For the six months ended March 31, 2011

During the six months ended March 31, 2011, the Company's main task was the exploration of the Coffee property, and the continued identification of new projects as well as advancing the Company's profile. The Company's net loss for this period was influenced by the associated general and administrative expenses including stock based compensation.

Net income for the six months ended March 31, 2011 was \$2,107,085 or \$0.03 per share, a difference of \$4,116,755 over the net loss of \$2,009,670 for the period ended March 31, 2010 (\$0.05 loss per share). Of this difference \$4,633,668 related to the future income tax recovery related to the renouncement of flow-through exploration tax credits. In addition the increase of \$705,943 related to increased stock based compensation from the Black Scholes calculation for the options vesting during the period.

Operating expenses before stock-based compensation for the period totalled \$953,227, an increase of \$500,965 (111%) from 2010. The four areas with the largest differences were:

- Travel and conference fees have increased by \$137,654 from \$74,723 to \$212,377, as a result of the Company's increased efforts to increase its profile. These efforts included attendance at several corporate development conferences and meetings.
- Salaries and consulting fees increased by \$109,445 from \$194,647 to \$304,092, as the Company employees two full time corporate communications personnel, incurred higher fees to consultants and the higher fees to related parties.
- Accounting and legal fees have increased by \$41,470 from \$81,069 to \$122,539. The increase relates to fees incurred from the lawyers involved in the incorporation of the Company's new subsidiaries, as well as increased ongoing legal fees for advice provided the Company regarding day to day activities as well as the recent financings completed by the Company.

The above expenses represented approximately 67% (2010 – 64%) of total operating expenses before stock-based compensation.

For the three months ended March 31, 2011

During the three months ended March 31, 2011, the Company's main task was the exploration of the Coffee property, and the continued identification of new projects as well as advancing the Company's profile. The Company's net loss for this period was influenced by the associated general and administrative expenses including stock based compensation.

Net income for the three months ended March 31, 2011 was \$3,360,666 or \$0.05 per share, a difference of \$4,049,917 over the net loss of \$689,251 for the period ended March 31, 2010 (\$0.02 loss per share). Of this difference \$4,633,668 related to the future income tax recovery related to the renouncement of flow-through exploration tax credits.

Operating expenses before stock-based compensation for the period totalled \$513,283, an increase of \$237,844 (86%) from 2010. The three areas with the largest differences were:

- Travel and conference fees have increased by \$91,444 from \$55,179 to \$146,623, as a

result of the Company's increased efforts to increase its profile. These efforts included attendance at several corporate development conferences and meetings.

- Salaries and consulting fees increased by \$72,673 from \$89,029 to \$161,702, as the Company employees two full time corporate communications personnel, incurred higher fees to consultants and the higher fees to related parties.
- Listing and filing fees have increased by \$51,459 from \$13,132 to \$64,591. The increase relates to fees incurred to maintain the company's listing on the TSX Venture exchange as a result of the increased market capitalization of the company.

The above expenses represented approximately 73% (2010 – 57%) of total operating expenses before stock-based compensation.

Selected Annual Information:

The following table summarizes selected financial data reported by the Company for the years ended September 30, 2010, 2009 and 2008. The information set forth should be read in conjunction with the consolidated audited financial statements, prepared in accordance with generally accepted accounting principles, and the related notes thereon.

	For the year ended or as at September 30, 2010	For the year ended or as at September 30, 2009	For the year ended or as at September 30, 2008
Revenues	Nil	Nil	Nil
Interest and other income	\$28,344	\$28,407	\$114,303
Loss	\$8,898,269	\$1,003,913	\$882,277
Basic and diluted loss per share	\$0.18	\$0.03	\$0.03
Total assets	\$26,073,983	\$9,297,207	\$8,174,790
Total long term debt	Nil	Nil	Nil
Shareholders' equity	\$25,383,016	\$8,981,145	\$8,078,793
Share Capital	\$31,448,983	\$11,885,816	\$10,412,223
Contributed Surplus	\$6,978,937	\$1,880,714	\$1,419,042
Deficit	\$12,811,404	\$4,391,635	\$3,387,722
Cash dividends declared per share	Nil	Nil	Nil

Summary of Quarterly Results

The following table summarizes selected quarterly financial data reported by the Issuer.

	Mar.31, 2011	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	Mar.31, 2010	Dec.31, 2009	Sept.30, 2009	June 30, 2009
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Interest and other income	\$23,342	\$19,247	\$19,870	\$3,921	\$4,553	Nil	\$56	\$4,113
Net income (loss)	\$3,360,666	\$(1,253,581)	\$(5,390,464)	\$(1,019,635)	\$(689,251)	\$(1,320,419)	\$(203,571)	\$(245,540)
Basic and diluted income (loss) per share	\$0.05	\$(0.02)	\$(0.10)	\$(0.02)	\$(0.02)	\$(0.03)	\$(0.01)	\$0.00
Total assets	\$47,299,759	\$36,661,987	\$26,073,983	\$11,878,684	\$11,570,118	\$9,300,976	\$9,297,207	\$8,174,932
Total long term debt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders' equity	\$46,843,493	\$36,520,092	\$25,383,016	\$11,354,325	\$11,363,497	\$9,216,259	\$8,981,145	\$8,059,008
Share capital	\$49,030,163	\$43,007,618	\$31,448,983	\$16,873,838	\$16,180,201	\$13,433,641	\$11,885,816	\$11,004,223
Contributed surplus	\$8,553,764	\$7,821,459	\$6,978,937	\$2,336,177	\$1,982,601	\$1,886,172	\$1,880,714	\$1,696,599
Deficit	\$(10,704,319)	\$(14,064,985)	\$(12,811,404)	\$(7,420,940)	\$(6,401,305)	\$(5,712,054)	\$(4,391,635)	\$(4,188,064)
Cash dividends declared per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no regular cash flow. At March 31, 2011, the company had working capital of \$32,402,284 (September 30, 2010, \$13,320,657).

Cash and cash equivalents totalled \$31,208,428 (September 30, 2010 – \$12,466,401).

For the six months ended March 31, 2011

During the six months ended March 31, 2011, the Company had cash inflows of \$22,532,058 from the sale of shares and warrants and its outflows consisted of \$2,382,091 on its resource properties and other investing activities and \$1,407,940 on operating activities. The Company maintains a strong cash position while it explores its Coffee property and its other existing property's and reviews new property acquisitions and joint ventures.

For the three months ended March 31, 2011

During the three months ended March 31, 2011, the Company had cash inflows of \$10,912,648 from the sale of shares and warrants and its outflows consisted of \$380,808 on its resource properties and other investing activities and \$898,302 on operating activities.

At March 31, 2011, the Company's investment in resource properties, net of write downs aggregated \$13,882,367 (September 30, 2010 - \$11,788,616), made up of the following:

	Acquisition Costs	Exploration Costs	Cumulative as at March 31, 2011	Cumulative as at September 30, 2010
Bathurst, Nunavut	\$ 55,715	\$ 409	\$ 56,125	\$ 46,412
Breakwater, Quebec	63,144	126,213	189,357	186,194

Coffee, Cream and Kirkman, Yukon	1,359,066	10,746,179	12,106,018	10,280,538
Hemlo, Ontario	70,682	390,791	461,473	397,909
IME, Nunavut	30,957	60,238	91,195	91,195
Lach, Nunavut	14,792	46	14,838	14,838
Matrix, Nunavut	47,066	20,054	67,120	67,120
Michigan Potash, Michigan	-	20,595	20,595	-
Needle, Nunavut	-	41,519	41,519	41,519
Needle (Diamond), Nunavut	-	8,999	8,999	8,999
Nizi, BC	-	4,189	4,189	4,189
Sail, BC	28,731	-	28,731	28,662
Sy, Nunavut	18,379	210,219	228,598	228,598
TBN, Ontario	61,200	355,711	461,911	250,131
Voigtberg, BC	-	-	-	-
Misc. Properties, Yukon	76,546	70,153	146,699	142,312
	\$ 1,827,052	\$ 12,055,315	\$ 13,882,367	\$ 11,788,616

At March 31, 2011, share capital totalled \$49,030,163, comprised of 63,154,456 issued and outstanding shares). As a result of the net income for the period of \$2,107,085, the deficit at March 31, 2011 was \$10,704,319 (September 30, 2010 – loss of \$8,419,769, deficit \$12,811,404). With contributed surplus of \$8,553,764 resulting from the fair value calculation of stock-based compensation and warrants (September 30, 2010 – \$6,978,937), and accumulated other comprehensive loss of \$36,115 (September 30, 2010 - \$233,500), the shareholders' equity at March 31, 2011 was \$46,843,493 (September 30, 2009 - \$25,383,016).

The Company currently has sufficient financial resources to meet its administrative overhead expenses and planned exploration expenditures for at least the next twelve months. Actual funding requirements may vary from those planned due to a number of factors, including the progress and results of exploration activity.

Exploration Update

Breakwater, Quebec

The Company has acquired through staking a number of copper-nickel-platinum group element targets in the Grenville geological domain of Southern Quebec. These claims are subject to a 1% NSR with Breakwater Resources Ltd.

Churchill Gold Property, Nunavut Territory

On October 6, 2009, the Company granted Shear Minerals Ltd. ("Shear") the right to purchase a 100% interest in the non-diamond mineral rights of the Churchill property and related datasets in exchange for:

- a. Receiving 3,000,000 common shares of Shear (received);
- b. Retaining a 20% back-in-right of the non-diamond mineral rights of the Property exercisable anytime up to the completion of an independent bankable feasibility study completed in accordance with National Instrument 43-101. The Company will repay at cost, all non-diamond expenditures within 90 days of exercising the back-in right; and
- c. Receiving annual summary reports on all non-diamond exploration work on the property which will include a detailed yearly accounting summary.

Coffee, Cream and Kirkman, Yukon

The Company entered into an agreement to acquire a 100% interest in three prospective gold properties located approximately 120 km south of Dawson City, Yukon. The Coffee, Cream and Kirkman properties total 90,150 acres and are located in the newly recognized “White” gold district in the west-central Yukon.

The Company can earn a 100% interest in the properties from Shawn Ryan of Dawson City, Yukon, subject to a 2% NSR in favour of the vendor. To earn its interest Kaminak incurred \$250,000 in exploration expenditures in 2009 and issued Mr. Ryan an initial payment of 250,000 common shares of Kaminak and paid \$75,000 cash.

Kaminak will be required to complete an additional \$1,550,000 in exploration expenditures over three years, issue 1,750,000 shares over 5 years and make cash payments totaling \$325,000 to Mr. Ryan over 4 years. Mr. Ryan retains a 2% NSR subject at anytime to a 1% buy-back for \$2 million with annual advance royalty payments of \$20,000 commencing December 31st, 2013.

Exploration work to date on the Coffee project has identified widespread gold mineralization associated with fractured and hydrothermally altered rocks. The Company has defined eight significant gold trends on the Coffee property over a total area of 12 by 4 kilometres, representing only a small portion of the large Coffee project. A detailed plan map, cross-section, assay sheet and photo montage of select core samples from all zones drilled to date are available on the Kaminak website at www.kaminak.com.

Salient Assay Results from the 2010 Drilling Program:

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFD001	15.0	30.5	15.5	17.07	Supremo	CFD043	13.0	19.0	6.0	0.76	Regional
CFD002	18.0	78.3	60.3	1.26	Supremo	CFD044	99.0	157.0	58.0	1.83	Latte
CFD002	122.4	173.8	51.3	1.15	Supremo	CFD045	110.7	203.7	93.0	1.10	Latte
CFD003	37.0	54.4	17.4	3.26	Supremo	CFD046	56.0	59.0	3.0	1.21	Kona
CFD004	50.0	70.0	20.0	2.47	Supremo	CFD046	113.0	118.0	5.0	1.87	Kona
CFD005	99.0	104.6	5.6	0.55	Supremo	CFD047	9.0	11.0	2.0	2.13	Regional
CFD006	28.1	112.0	83.9	1.08	Latte	CFD047	60.0	61.0	1.0	1.31	Regional
CFD007	34.0	88.0	54.0	1.12	Latte	CFD047	63.0	64.0	1.0	0.97	Regional
CFD007	101.0	109.0	8.0	1.24	Latte	CFD048	90.0	99.0	9.0	5.55	Latte
CFD008	7.0	58.0	51.0	1.32	Latte	CFD049	5.0	6.0	1.0	1.38	Regional
CFD009	6.0	46.0	40.0	1.12	Latte	CFD049	12.0	13.0	1.0	1.98	Regional
CFD009	84.0	111.0	27.0	0.72	Latte	CFD049	21.0	22.0	1.0	1.14	Regional
CFD010	119.0	135.0	16.0	3.71	Latte	CFD049	32.0	36.0	4.0	1.46	Regional
CFD011	19.0	89.0	70.0	1.83	Latte	CFD050	169.0	174.0	5.0	8.15	Latte
CFD012	24.0	102.0	78.0	1.27	Latte	CFD051	9.0	34.0	25.0	0.47	Kona
CFD012	176.0	177.0	1.0	17.40	Latte	CFD051	67.0	85.0	18.0	1.05	Kona
CFD013	112.0	117.0	5.0	1.43	Double D,	CFD053	3.3	60.0	56.8	2.21	Kona
CFD015	68.0	70.0	2.0	0.58	Supremo	CFD053	156.0	179.0	23.0	1.92	Kona
CFD016	53.0	67.0	14.0	12.43	Supremo	CFD055	65.0	78.0	13.0	1.87	Americano
CFD018	71.0	78.0	7.0	6.93	Supremo	CFD056	21.0	26.0	5.0	1.55	Americano
CFD018	127.0	134.0	7.0	2.51	Supremo	CFD057	25.0	32.0	7.0	2.37	Latte North
CFD021	60.0	82.0	22.0	1.38	Supremo	CFD057	44.0	48.0	4.0	1.55	Latte North
CFD022	143.0	146.0	3.0	1.32	Supremo	CFD057	96.0	98.0	2.0	1.16	Latte North
CFD023	82.0	133.0	51.0	1.27	Supremo	CFD058	35.0	37.0	2.0	1.65	Americano
CFD024	146.0	162.0	16.0	0.55	Supremo	CFD058	120.0	122.0	2.0	6.50	Americano
CFD025	4.0	10.0	6.0	1.37	Supremo	CFD059	29.0	49.0	20.0	1.02	Americano
CFD026	8.0	12.0	4.0	4.66	Supremo	CFD059	70.0	77.0	7.0	1.48	Americano
CFD027	34.0	43.0	9.0	2.04	Double D,	CFD060	31.0	44.0	13.0	2.63	Latte North
CFD027	139.0	174.0	35.0	6.30	Double D,	CFD061	85.0	88.0	3.0	1.09	Latte Extn
CFD028	213.0	218.0	5.0	15.91	Double D,	CFD061	101.0	103.0	2.0	1.09	Latte Extn

CFD028	299.0	302.0	3.0	2.13	Double D,	CFD061	111.0	117.0	6.0	3.04	Latte Extn
CFD028	327.0	330.4	3.4	1.37	Double D,	CFD062	38.0	42.0	4.0	2.42	Americano
CFD029	92.0	108.0	16.0	3.73	Supremo	CFD063	49.0	85.0	36.0	0.92	Americano
CFD029	178.0	180.0	2.0	7.07	Supremo	CFD064	150.0	168.0	18.0	2.36	Americano
CFD030	175.0	176.0	1.0	2.15	Supremo	CFD065	8.0	10.0	2.0	0.47	Latte North
CFD031	90.0	114.0	24.0	1.20	Latte	CFD068	3.9	6.0	2.1	1.28	Americano
CFD032	129.0	131.0	2.0	2.32	Latte	CFD069	2.5	7.0	4.5	1.42	Connector A
CFD033	77.0	84.0	7.0	3.63	Supremo	CFD069	23.0	27.0	4.0	2.47	Connector A
CFD034	4.0	18.0	14.0	2.11	Supremo	CFD069	133.0	144.0	11.0	5.50	Connector A
CFD034	33.0	52.0	19.0	2.38	Supremo	CFD069	172.0	175.0	3.0	4.67	Connector A
CFD034	114.0	124.0	10.0	0.59	Supremo	CFD069	185.0	187.0	2.0	1.06	Connector A
CFD035	117.0	198.0	81.0	1.39	Latte	CFD069	203.0	205.0	2.0	1.73	Connector A
CFD035	222.0	230.0	8.0	1.40	Latte	CFD070	179.0	187.0	8.0	1.36	Espresso
CFD037	60.0	67.0	7.0	1.57	Supremo	CFD071	24.0	25.0	1.0	3.65	Connector A
CFD037	90.0	97.0	7.0	1.11	Supremo	CFD071	49.0	57.0	8.0	0.73	Connector A
CFD038	71.0	90.0	19.0	1.00	Latte	CFD071	65.0	67.0	2.0	2.09	Connector A
CFD038	142.0	149.0	7.0	1.41	Latte	CFD071	195.0	202.0	7.0	3.16	Connector A
CFD039	118.0	129.0	11.0	1.64	Supremo	CFD071	234.0	237.0	3.0	5.67	Connector A
CFD039	175.0	186.0	11.0	1.00	Supremo	CFD071	254.0	256.0	2.0	2.32	Connector A
CFD039	199.0	209.0	10.0	1.04	Supremo	CFD073	239.0	240.0	1.0	1.98	Latte
CFD040	114.0	116.0	2.0	8.05	Latte	CFD074	6.0	8.0	2.0	2.29	Espresso
CFD040	207.0	208.0	1.0	10.45	Latte	CFD075	183.0	186.0	3.0	1.71	Connector B
CFD040	226.0	228.0	2.0	4.28	Latte	CFD076	68.0	71.0	3.0	2.24	Americano
CFD041	187.0	204.0	17.0	0.49	Latte	CFD076	78.0	80.0	2.0	1.73	Americano
CFD042	20.0	24.0	4.0	0.90	Regional	CFD076	124.0	129.0	5.0	2.18	Americano

* There is insufficient information to determine if the reported core length intervals represent true widths.

Supremo Trend

Drill Results

Twenty four boreholes (4,568 metres) were drilled at Supremo on thirteen sections spaced between 50 and 200 metres. Drilling aimed at investigating north-south structures inferred from soils and trench sampling results and ground magnetic data (Figure 22). All boreholes were drilled to the east or west at angles of 50 and 70 degrees from the horizontal. Nine sections received two boreholes.

Drill holes CFD-001 to 4, 15, 16-24 were drilled to target the high grade 'T3' with a best result of **17.07 g/t Au over 15.5m** starting at 15m downhole in CFD-001 which faced east. Mineralisation is hosted primarily in silicified breccia units and minor non-brecciated silica-altered and fractured gneiss. Structural data and subsequent drilling determined that this intercept is oblique to the plane of mineralisation, and subsequent holes were drilled facing west.

Drill holes CFD-003 and CFD-004, drilled facing west 50m north of CFD-001, intersected **17.35m grading 3.26 g/t Au** starting from 37m core length and **20m grading 2.47 g/t Au** starting at 50m core length respectively. These results confirm that mineralization along the Trench 3 trend is north-south trending and steeply dipping to the east and remains open along strike and at depth.

Additional drilling at Supremo over successive campaigns targeted parallel mineralised structures, identifying up to five mineralised structures with interpreted north-south strike over an 800m by 800m zone. Results include:

- T2 Structure: 3.73g/t over 16m from 92m depth (CFD-029)
- T4 Structure: 1.57g/t over 7m from 60m depth (CFD-037)

T6 Structure: 2.38g/t over 19m from 33m depth (CFD-034)
T4 Structure: 4.66g/t over 4m from 8m depth (CFD-026)

Latte Trend

Drill Results

Seventeen boreholes (3,815 metres) were drilled across the Latte Structure which was interpreted from soils and trench sampling results, and ground magnetic data suggesting the presence of an east-west trending structure. The Latte Structure was investigated over a strike length of approximately 600 metres on six sections spaced between 100 to 200 metres to a depth of approximately 300 metres from the surface. All boreholes were drilled to the north at angles of 50, 70 and 80 degrees from the horizontal.

The Latte Zone is associated with a regionally-significant, east-west trending and south-dipping structural corridor co-incident with a 1 kilometre long by 100m wide gold-in-soil anomaly. The structural corridor is comprised of variably-textured paragneiss and amphibolite that generally appears mylonitic or strongly foliated, giving the overall appearance of a high-strain fault zone. Gold mineralization is preferentially concentrated in the structural corridor and consists of silicification and oxidized sulphides hosted in brittle fractures and breccia zones that appear to overprint older fabrics.

The initial drill holes, CFD-006 and CFD-007, were drilled to the north from the same set-up and were designed to test the bedrock source of the 1 kilometre long gold-in-soil trend. Trenching of the soil anomaly near CFD-006 and CFD-007 by Kaminak in 2009 yielded 1.01 g/t Au over 10m. CFD-006 was drilled at a -50 degree angle and CFD-007 was drilled at a -70 degree angle. Both holes intersected wide intervals of consistent gold content from shallow depths. Drill hole CFD-006 intersected **83.93m grading 1.08 g/t Au** (starting from 28.07m core depth) and CFD-007 intersected **1.12 g/t Au over 55m** (starting from 33m core depth) in addition to a second down hole interval of **1.24 g/t Au over 8m** (starting from 101m core depth). These intercepts outline a broad, steep south-dipping mineralized zone which is open along trend and to depth. The best intercept to date is 1.3g/t over 78 metres starting from 1.83g/t over 58m depth from 99metres downhole in CFD-044.

Additional drilling stepping out on 100m sections outlined a wide consistent zone of mineralisation over at least 300m strike, which is open to the east and west. A jump of 200m to the east along the interpreted strike of the Latte Trend intersected a narrower but higher grade mineralised structure, with intercepts of up to 3.71g/t over 16m from 119m depth in CFD-010.

Latte West Trend

Initial drilling at the Latte Zone by Kaminak in 2010 successfully intersected gold mineralization in all 17 holes over a strike length of at least 600m. Ground magnetic data acquired over the Coffee property suggests the main structural feature that hosts gold mineralization at the Latte Zone extends well beyond the limit of drilling in 2010. To test this theory, Kaminak drilled a "wildcat" step-out exploration hole 900m west of the Latte Zone in order to intercept the projected extension of the Latte gold mineralization in a region informally labelled the "B52 Zone".

Drill hole CFD-61 was drilled to the north at a -50 degree angle and successfully intersected rocks correlated with the Latte shear zone located 900m to the east. Three discrete gold zones were intersected over a core length of approximately 32m (starting at 85m depth). Highlights include **3.04 g/t Au over 6m** including a high-grade interval of **10.25 g/t Au over 1m**. Mineralization is interpreted to occur within an east-west trending and steep south-dipping shear zone structure believed to be the extension of the Latte gold structure. This result confirms that the gold-bearing structure at Latte continues well beyond the limits of Kaminak's 2010 drilling and future exploration work in this area will focus on expanding these zones.

Double Double Trend

The Double Double Zone is associated with a regionally significant, east-northeast trending and steeply north dipping structure co-incident with a 300m long by 100m wide gold-in-soil anomaly. The structure is comprised of shear zone and breccia fabrics overprinting variably-textured schist giving the overall appearance of a high-strain fault zone. Gold occurs in this fault zone and alteration typically consists of silicification, clay alteration local sericite and oxidized sulphides.

Drill hole CFD-27 and CFD-28 were drilled to the north at -50 and -70 angles respectively and are located 200m east of previously drilled holes CFD-13 and CFD-14. Drill hole CFD-13 intersected 1.43 g/t Au over 5m within highly sheared and altered rocks (see Kaminak news release dated August 5th, 2010). This result prompted Kaminak's technical team to re-evaluate the overall setting of gold at the Double Double prospect resulting in the subsequent drilling of CFD-27. Two significant gold zones were encountered in CFD-27 comprising an upper zone of **2.04 g/t Au over 9m** (from 34m core depth) and a lower high-grade intercept of **6.3 g/t Au over 35m** (from 139m), including **18m grading 10.42 g/t Au** (from 156m).

Kona Trend

The Kona Trend, 5km west of the high-grade Supremo Zone, comprises a northeast trending >50 ppb Au soil anomaly traceable for over 1,500m along strike and up to 500m wide. A series of anomalous grab samples were obtained along the southern margin of the target, ranging from 0.19 g/t Au to 3.92 g/t Au.

Drill testing the extensive gold-in-soil anomalies at Kona has yielded a new gold mineralizing environment in the Coffee exploration camp (i.e. granite-hosted). Gold mineralization is hosted in near-vertical brittle structural zones that are co-incident with overlying gold-in-soil anomalies. Drill holes CFD-51 and CFD-53 were drilled from the same set-up at -50 and -70 degree angles, respectively, and both holes intersected two separate gold zones which are interpreted as steeply-dipping zones within the host structure. Drilling intersected two separate gold zones grading 2.2 grams per tonne gold (g/t Au) over 57m and 1.9 g/t Au over 23m, respectively, with gold grades as high as 28 g/t Au over 2m.

Connector Zone

The Supremo and Latte gold zones are both hosted in As-Ag-Sb-Ba –enriched, altered paragneiss and amphibolite in addition to non-foliated dacitic- dykes, accompanied by pervasive silicification and breccia textures. This suggests that the two discrete zones

were formed during the same hydrothermal event although the gold mineralization at Supremo is north-south trending whereas the Latte gold zone is east-west trending. More drilling is needed to define the relationship between these two zones and the projected intersection of these two structures could be an important focus for gold. Several high-quality gold-in-soil anomalies occur at this projected intersection and Kaminak considers the area to be a high priority exploration target.

The 'Connector Zone' is named for the interpreted intersection of the Latte and Supremo mineralized trends, when projected along strike towards the east and south respectively. This intersection zone is interpreted to be prospective for gold mineralization and was targeted initially for follow-up detailed grid soil sampling on 25m x 25m spacing. The soil sampling subsequently defined a broad 500m x 450m soil anomaly peaking at 460ppb Au.

Diamond core holes were drilled to test the bedrock source of the broad gold in soil anomaly, on two orientations: CFD-69 and 71 were drilled from the same set-up at -50° and -70° inclination towards the west to target the projected southerly strike extension of the north-south trending Supremo T3 mineralized corridor.

The Connector Zone drilling intersected lithological sequences typical of the Supremo and Latte Zones, comprising felsic augen gneiss, biotite-schist and discrete mylonite (shear) zones. In CFD-69 & 71, gold mineralization occurs within two discrete steeply-dipping zones of elevated gold with widths up to 50m (see cross-section for Connector Zone on Kaminak website). Significant gold grades, including up to 5.50g/t over 11 metres in CFD-69, are associated with sulphidic and strongly silica + clay altered, sheared and brecciated mafic schist and andesite dykes. The gold mineralized zones intersected in CFD-69 and 71 are interpreted to project to surface, and remain open along strike and at depth.

Americano Trend

TheAmericano area is underlain by granite and comprises two parallel northeast trending linear gold-in-soil trends totaling over 4km in length. These two trends become linked to the east by a north by northeast trending gold-in-soil anomaly informally known as theAmericano "link" structure. This link structure is at least 700m long. A total of 10 widely-spaced holes were drilled atAmericano in order to test for the presence of steeply-dipping gold-bearing brittle structures analogous to the nearby Kona gold zone where CFD-53 returned 2.2 g/t Au over 57m (see Kaminak news release dated October 12, 2010).

Nine of the ten holes drilled atAmericano successfully intersected gold mineralization hosted in sulphidic and clay altered brittle fault zones cross-cutting granite. Notable intercepts occur in the north by northeast trending "link" structure where four holes were drilled over 300m. All four holes intersected significant gold mineralization including **2.36 g/t Au over 18m** from CFD-64 and **6.5 g/t Au over 3m** from CFD-55. Gold zones at the link structure remain open at depth and along trend. The interpreted length of the entire gold-in-soil trend at theAmericano link area exceeds 700m.

Espresso Trend

The Espresso trend, 1km west of the Kona trend, was identified late in the summer of 2009 and constitutes a broadly northeast trending > 25 ppb Au soil anomaly traceable for 1200 meters by 750 meters that is open to the west. Three holes were drilled into the Espresso gold-in-soil trend located approximately 1km south of Americano link structure and 1.5 kilometers southeast of the Kona gold zone discovered earlier in 2010. Two of the three holes successfully intersected gold-bearing granitic host rocks characterized by clay and sulphide alteration including CFD-70 that yielded **1.36 g/t Au over 8m**.

Hemlo, Ontario

The Hemlo Property consists of claims in the Archean Hemlo Greenstone Belt of Ontario.

The company has completed its initial field program on its 100% owned Hemlo North Gold Project. A three week mapping and prospecting program was followed by an overburden sampling program that targeted hydrothermally altered shear zones.

Key Point Summary

- Field mapping and overburden sampling successfully recognized sulphide bearing shear zones within felsic volcanic host rocks
- Favourable trace element enrichment of Ag, As, K, Ba and Mo within shear zones could indicate proximity to Hemlo-style gold mineralization
- Gold grain counts, sulphide mineralogy and assay results of overburden sampling are expected

IME, Nunavut

The Company holds the non-diamond rights to Indicator Minerals Inc.'s ("IME") properties held in Nunavut. These properties are held by IME with the Company having the right of first refusal on assuming any permits which IME chooses not to renew.

Matrix Gold Project, Nunavut

The Matrix Project consists of a 100% interest in 3 claims totalling 5,785 acres near Henik Lakes, approximately 400 km southwest of Rankin Inlet, Nunavut.

Needle Gold Property, Nunavut:

The 5,165 acre Needle Gold Property is host to numerous high-grade surface gold showings including: the Needle, Jed, Wolverine, Feline and Erin Zones, and is strategically located 70 kilometers southeast of the Goose Lake Gold Project owned by Dundee Precious Metals Inc. and 220 kilometers south of the Hope Bay Gold Project owned by Miramar Mining Ltd.

Nizi, British Columbia

The Nizi Creek Gold-Silver Property is located northeast of Dease Lake, British Columbia.

Underlying interests are held by the Hunter Exploration Group as to a 2% royalty on all minerals.

Sail Property, British Columbia

The Company has acquired the 100% owned "Sail property" through staking a land package in the Cry Lake area.

Sy, Nunavut

The "SY" property covers over 120,000 acres in the Archean greenstone belt. Underlying interests are held by the Hunter Exploration Group as to a 2% royalty on all minerals.

"TBN" Platinum-Palladium, Ontario

The 100% owned "TBN" property is located approximately 50 kilometres north of Thunder Bay, Ontario.

The Company completed a 1,470 line-km high-definition AeroTEM 2 electromagnetic and magnetic helicopter-borne survey over the property. The survey indentified 14 potential dyke shaped bodies.

The property was staked as a result of the Company's agreement with GeoVector Management Inc. ("Geovector"), whereby GeoVector develops grassroots exploration concepts for Kaminak within specified regions of eastern Canada. Initial project ideas are evaluated by Kaminak and any ground acquisition must be approved by Kaminak. GeoVector will design and undertake approved work programs. Kaminak will issue to GeoVector 50,000 common shares for each property acquired (issued) and an additional 50,000 common shares for every property upon which drilling is undertaken. GeoVector will retain a 2% NSR on each property with 1% of this NSR purchasable at anytime by Kaminak for \$500,000. The remaining 1% NSR can be purchased by Kaminak at anytime for \$1,000,000.

Voigtberg Gold Project, British Columbia

In July 2006, the Company entered into an agreement with BCGold Corp. whereby, BCGold can earn an interest in Kaminak's 100% owned Voigtberg Property. Underlying interests are held by the Hunter Exploration Group as to a 2% royalty on all minerals.

Kaminak granted BCGold the option to acquire up to a 60% interest in the Voigtberg Property ("Property" or "Voigtberg") by making \$2,000,000 in exploration expenditures over four years and by issuing 400,000 units of BCGold to Kaminak. BCGold can earn an additional 10% interest in the Property by completing a bankable feasibility study, for a total earn-in of 70%. The agreement terms were extended by one year upon issuance to the Company of 100,000 common shares of BCGold (received).

The 2900 hectare Voigtberg Property is located 130 kilometres northwest of the town of Stewart, British Columbia and 70 kilometres from the prolific Galore Creek copper-gold-silver project. Voigtberg is a gold porphyry target subject to a 2% net smelter returns royalty interest held by third parties.

An independent NI 43-101 compliant technical report on the Voigtberg Property was commissioned by Kaminak Gold Corp. and was completed as part of this agreement.

Yukon Properties, Yukon

Four new claim blocks were staked in 2010. The RUN, APOLLO, RICE and LADUE claims are located approximately 10km and 50km south and northwest of the Coffee claim block. The ground was staked to cover favourable coincident Yukon Geological Survey 'Minfile', regional magnetic, structural and geochemical anomalies. Reconnaissance mapping and sampling programs were completed in 2010, with plans to conduct follow-up systematic exploration on the properties in 2011.

Risks and Uncertainties

Exploration Stage Company

Kaminak is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. All of its properties are in the early stages of exploration and are without known deposits of commercial ore. Development of Kaminak's properties will only follow upon obtaining satisfactory exploration results. There can be no assurance that Kaminak's existing or future exploration programs will result in the discovery of commercially viable mineral deposits. Further, there can be no assurance that even if an economic deposit of minerals is located, that it can be commercially mined.

Mineral Exploration and Development

The exploration and development of minerals is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mineral deposit or orebody may result in significant rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses are required to establish ore reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof, cannot be accurately predicted but could have an adverse impact on Kaminak.

Mining Operations and Insurance

Mining operations generally involve a high degree of risk. Kaminak's operations are subject to all of the hazards and risks normally encountered in mineral exploration and development. Such risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, flowing and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, labour disputes and political unrest. The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, production facilities, personal injury, damage to life or property, environmental damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. Kaminak does not currently carry insurance against these risks and there is no assurance that such insurance will be available in the future, or if available, at economically feasible premiums or acceptable terms. The potential costs associated with liabilities not covered by insurance or excess insurance coverage may cause substantial delays and require significant capital outlays.

No Operating History and Financial Resources

Kaminak does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its existing cash resources following the private placements will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will also be required for Kaminak acquire and explore other mineral interests. Kaminak has limited financial resources and there is no assurance that sufficient additional funding will be available to it fulfill its obligations or for further exploration and development, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause Kaminak to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

Government Regulation

The current or future operations of Kaminak, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various federal, provincial and local governmental authorities and such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. There can be no assurance, however, that Kaminak will obtain on reasonable terms, or at all, the permits and approvals, and the renewals thereof, which it may require for the conduct of its current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which Kaminak may undertake. Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to Kaminak's planned exploration and operations, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Competition

The mineral exploration and mining business is competitive in all of its phases. Kaminak will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. Kaminak's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that Kaminak will be able to compete successfully with others in acquiring such prospects.

Title to Property

Many of Kaminak's properties are held in the names of others. Kaminak has taken precautions

to ensure that legal titles to its property interests are properly recorded. There can be no assurance that Kaminak will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. Third parties may have valid claims underlying portions of Kaminak's interests and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that Kaminak may lose all or part of its interest in the properties to which such defects relate.

Environmental Risks and Hazards

All phases of Kaminak's operations will be subject to environmental regulation in the jurisdictions in which it intends to operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of such regulation may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which Kaminak holds interests or on properties that will be acquired which are unknown to Kaminak at present and which have been caused by previous or existing owners or operators of the properties.

Commodity Prices

The price of Kaminak's securities, its financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of precious or base minerals. Precious or base minerals prices fluctuate widely and are affected by numerous factors beyond Kaminak's control such as the sale or purchase of precious or base metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand; production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection and international political and economic trends, conditions and events. The price of precious or base metals has fluctuated widely in recent years, and future serious price declines could cause continued development of Kaminak's properties to be impracticable.

Further, reserve calculations and life-of-mine plans using significantly lower precious or base minerals prices could result in material write-downs of Kaminak's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is

ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Price Volatility

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for Kaminak's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

Kaminak is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of Kaminak are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of Kaminak, the loss of these persons or Kaminak's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. Kaminak does not currently carry any keyman life insurance on any of its executives. The directors and officers of Kaminak only devote part of their time to the affairs of Kaminak.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

Kaminak has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of Kaminak and will depend on Kaminak's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of Kaminak deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

At the present time, there are no proposed transactions that should be disclosed.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning KAM's general and administrative expenses and resource property costs is provided in the Company's Consolidated Statement of Loss and Deficit and Consolidated Schedule of Resource Property Costs contained in its Consolidated Financial Statements for March 31, 2011, available on www.sedar.com.

Outstanding Share Data

KAM's authorized capital is unlimited common shares without par value. As at May 18, 2011, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares	68,515,007		
Agents Warrants	418,406	\$1.62	July 29, 2012
	200,556	\$3.60	November 16, 2012
	210,864	\$3.60	March 3, 2013
Employee Stock Options	75,000	\$0.45	July 21, 2011
	95,000	\$0.65	June 18, 2012
	285,000	\$0.12	December 5, 2013
	440,000	\$0.70	January 28, 2015
	25,000	\$1.07	March 18, 2015
	630,000	\$1.00	April 12, 2015
	20,000	\$1.50	June 29, 2015
	250,000	\$3.12	September 14, 2015
	1,925,000	\$3.45	September 24, 2015
	50,000	\$3.29	October 1, 2015
	200,000	\$2.76	December 9, 2015
	20,000	\$2.96	January 4, 2016
	200,000	\$2.77	January 6, 2016
	170,000	\$2.95	February 2, 2016
1,055,000	\$4.03	April 8, 2016	
20,000	\$3.75	April 26, 2016	
Fully Diluted	<u>75,104,833</u>		

Off Balance Sheet Arrangements

The Company does not utilize off balance sheet arrangements.

Transactions with Related Parties

Included in the current period are consulting fees of \$15,165 (2010 - \$19,308), accounting fees of \$16,080 (2010 - \$nil), travel and conference charges \$8,300 (2010 - \$39,600), rent charges of \$21,766 (\$5,019) and office and sundry charges of \$16,411 (2009 - \$4,254) to a company controlled by directors of the Company.

During the period the Company incurred \$123,540 (2010 - \$96,803) in consulting fees and

\$22,200 (2010 - \$17,750) in accounting fees to directors and officers.

At March 31, 2011, \$11,534 (September 30, 2010 - \$nil) was due to a company controlled by directors and officers of the Company, and \$4,704 (September 30, 2010 - \$10,356) was due to directors and officers of the Company.

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

Amounts due to related parties are non-interest bearing, with no fixed terms of repayment. The fair value of the amounts due to related parties cannot be determined as there are no specific terms of repayment.

Recent Developments and Outlook

The Company expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

Financial Instruments and Other Instruments

Categories of financial assets and liabilities

The fair value of the Company's accrued interest receivable, cash call receivable, GST receivable and accounts payable and accrued liabilities approximate carrying value which is the amount recorded on the consolidated balance sheet. The Company's other financial instruments, cash, restricted cash, marketable securities and short-term investment, under the fair value hierarchy are based on level one quoted prices in active markets for identical assets and liabilities.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to accounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2011, the Company had a cash and cash equivalent balance of \$31,208,428 (September 30, 2010 - \$12,466,401) to settle current liabilities of \$456,266 (September 30, 2010 - \$690,967). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of March 31, 2011, the Company had \$27,078,426 invested in investment-grade short-term deposit certificates (September 30, 2010 - \$52,426).

(b) Foreign currency risk

The Company operates predominately in Canada and is not exposed to any significant foreign currency risk.

(c) 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 earnings 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 earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of resources, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Critical Accounting Estimates

The Company's accounting policies are presented in note 2 of the Company's September 30, 2010 financial statements. The preparation of consolidated financial statements in accordance with generally accepted accounting principles requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations. These include:

- the carrying values of mineral properties; and
- the valuation of stock-based compensation expense.

Mineral properties and deferred exploration costs

The Company records its interest in mineral properties at cost. Resource exploration and development costs are capitalized on an individual area of interest basis until such time as an economic resource body is defined or the prospect is abandoned. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the reserves, while costs for the prospects abandoned are written off.

Management of the Company reviews and evaluates the carrying value of each mineral property for impairment when events or changes in circumstances indicate that the carrying

amounts of the related asset may not be recoverable. When it is determined that a mineral property is impaired, it is written down to its estimated fair value.

Management's estimates of mineral prices, mineral resources, and operating, capital and reclamation costs are subject to certain risks and uncertainties that may affect the recoverability of deferred mineral property costs. Although management has made its best estimate of these factors, it is possible that material changes could occur which may adversely affect management's estimate of the net cash flows expected to be generated from its properties.

The recoverability of amounts shown for mineral properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to continue operations and to complete the development and upon future profitable production or proceeds from the disposition thereof. The discovery or establishment of adequate reserves is dependent on successful exploration. Competition for exploration resources at all levels is currently very intense, particularly affecting availability of manpower, drill rigs and helicopters. As a result of this, and other factors inherent in exploration, the Company has uncertainty that it will be able to carry out its planned exploration programs.

Stock-based compensation expense

From time to time, the Company may grant share purchase options to directors, officers, employees, and service providers. The Company uses the Black-Scholes option pricing model to estimate a value for these options. This model, and other models which are used to value options, require inputs such as expected volatility, expected life to exercise, and interest rates. Changes in any of these inputs could cause a significant change in the stock-based compensation recorded in a period.

Changes in Accounting Policy

The Company has not made any changes to its accounting policies during the period.

Conversion to International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of October 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2011.

The Company completed a preliminary IFRS transition assessment which highlighted several key areas of difference between existing Canadian GAAP and IFRS, specifically, presentation of financial statements, the treatment of asset retirement obligations, impairment of assets and share-based payments.

The Company developed an IFRS project plan assigning responsibilities and outlining the proposed timing of execution of key IFRS conversion projects. The Company's IFRS project plan stipulates several project phases. The first phase included initial training and education for

key finance staff. This phase is complete, with key members of the IFRS project team attending external courses, as well as conducting self-study training.

The next phase of the Company's IFRS project was the "impact assessment" phase, whereby the project team reviewed each of the significant areas of difference highlighted by the initial diagnostic. In this phase, the project team determined the potential qualitative differences between Canadian GAAP and IFRS and assessed the impact of these differences on the Company's accounting policies, information systems, internal controls over financial reporting and other business processes. To-date, the Company has identified the following key areas of potential difference with respect to the accounting for:

- Share-based payments – Canadian GAAP allows the preparer to choose from two options, namely a) treating all options granted at a particular date and with the same terms and conditions as one pool (pooling method) and b) treating options with different vesting dates as different grants (vesting method). The cost of such options is calculated according to Black-Scholes for both methods. For the pooling method, the total expense is amortized on a straight line basis over the longest vesting period of all of the options in the pool resulting in equal charges to income over the period. The vesting method looks at each vesting tranche and the expense associated with that particular vesting tranche and amortizes that in a straight line. This second method front end loads the expense so that although available, this method is rarely used under Canadian GAAP. Under IFRS, the vesting method is the only method that may be used.
- Asset retirement obligation – Canadian GAAP requires that the future cost of asset retirement be discounted at the credit adjusted risk-free interest rate with the asset book value being increased by the discounted amount and a liability being recognized in the same amount. The credit adjusted risk-free interest rate is defined as the rate of interest on monetary assets that are essentially free of default risk, adjusted for the effect of the entity's credit standing. On the asset side, the discounted asset retirement amount is amortized over the life of the asset whereas the liability is increased or accreted at the credit adjusted risk-free rate so that, at the end of the project's life, the full liability for the rehabilitation work will have been recorded. Unless the anticipated cost of the asset retirement obligation changes due to more stringent requirements, improved technology or for other reasons, no further adjustment is made to the original asset retirement obligation except for ongoing amortization (asset side) or accretion (liability side).

In contrast, IFRS requires that the asset retirement obligation must be calculated using a discount rate equal to the pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Further, re-measurement must be made at the end of each reporting period to give a best estimate of the obligation and includes recalculating using the discount rate at the balance sheet date. As interest rates fluctuate, the discounted asset retirement obligation will also change causing changes to both the amortization and accretion expense. The effect of these changes may be material. Re-measurement for changes in the interest rate is not a requirement of Canadian GAAP.

- Impairment of assets – IAS 36, Impairment of Assets ("IAS 36"), uses a one-step approach for testing and measuring asset impairments with asset carrying values being compared to the higher of value in use and fair value less costs to sell. Value in use is defined as being equal to the present value of future cash flows expected to be derived from the asset in its current state. In the absence of an active market, fair value less

costs to sell may also be determined using discounted cash flows. The use of discounted cash flows under IFRS to test and measure asset impairment differs from Canadian GAAP where undiscounted future cash flows are used to compare against the asset's carrying value to determine if impairment exists. This may result in more frequent write-downs in the carrying value of assets under IFRS since asset carrying values that were previously supported under Canadian GAAP based on undiscounted cash flows may not be supported on a discounted cash flow basis under IFRS. However, under IAS 36, previous impairment losses may be reversed where circumstances change such that the impairment has been reduced. This also differs from Canadian GAAP, which prohibits the reversal of previously recognized impairment losses.

- Mineral property costs – The Company has evaluated its existing policy for exploration cost accounting and does not expect any of the differences between IFRS and Canadian GAAP to impact its accounting for exploration costs.

On changing to IFRS, the Company will be eligible to make elections under the standard for the transition to IFRS, namely IFRS 1 – First Time Adoption. In some cases, the changes that would otherwise have been retrospective are, with election, applicable from the date of transition and prospectively; in a number of other cases, there is a mandatory approach to deal with the effects of the changes. Where an election is available, the Company is currently reviewing the selection of a suitable option. Typically, IFRS requires significantly more disclosure than is the case under current Canadian GAAP, particularly with respect to the notes to the financial statements. The Company, as part of the Plan, will be reviewing its data collection and reporting systems to ensure that the requisite information will be available and reliable.

The Company has completed a preliminary review of the above areas of potential difference on its information systems and is planning a number of new software implementations as a result. The above changes are not expected to have a significant impact on the Company's information and data systems, business processes, internal controls over financial reporting, disclosure controls and business activities.

The Company has completed the majority of its impact assessment phase. The next project phase consists of developing new IFRS-compliant accounting policies, implementation of these policies, calculating the Company's opening balance sheet under IFRS as at October 1 2010, related testing and additional training as required. The Company expects to have developed new IFRS-compliant accounting policies and calculated its opening balance sheet under IFRS by the end of its fiscal quarter ending June 30, 2011.

Approval

The Board of Directors of Kaminak Gold Corporation has approved the disclosure contained in this interim MD&A. A copy of this interim MD&A will be provided to anyone who requests it.

Additional Information

Additional information can be obtained by contacting:

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