Form 51-102F1
Annual Management Discussion and Analysis For
Kaminak Gold Corporation ("Kaminak" or "KAM" or the "Company")

Containing information up to and including January 24, 2012.

Note to Reader

The following information should be read in conjunction with the Company's audited financial statements for the year ended September 30, 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

This management discussion and analysis ("MD&A") contains certain 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", "anticipates", "believes", "estimates", "expects" and similar expressions, or the negatives of such words and phrases, or state 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 MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of the Company's properties to contain economic precious and base metal deposits; the Company's ability to meet its working capital needs at the current level for the 12-month period ending September 30, 2012; the plans, costs, timing and capital for future exploration and development of the Company's property interest, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; prices and price volatility for precious and base metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, precious and base metal deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to the Company's properties, the possibility that future exploration results will not be consistent with the Company's expectations, increases in costs, environmental compliance, and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the precious and base metal and development industry, as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking statements contained in the MD&A. Such statements are based on a number of assumptions about the following: the availability of financing for the Company's exploration and development activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

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 publically or otherwise 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 update with respect to those or other forward-looking statements, unless required by law.

Preliminary Information

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 by virtue of a reorganization transaction involving the exchange of securities between Shear Minerals Ltd. ("Shear"), the Company and the shareholders of Shear. On November 23, 2005, the Company's shares became publicly trading on the TSX Venture Exchange under the symbol "KAM".

Overview of Significant Events and Review of Activities for the Year Ended September 30, 2011

COFFEE GOLD PROJECT

On January 12, 2011, Board approval was granted for the 2011 exploration budget on the Company's 100% owned Coffee Gold Project, located in the White Gold District, Yukon Territory. The first phase drill program was budgeted at $15 million to drill a total of +40,000 metres beginning in early April with initial emphasis on expanding the Latte –Double Double – Supremo gold trends. The Company filed a 43-101 compliant technical report prepared by SRK Consulting (Canada) Inc. ("SRK") titled "Technical Report, Coffee Gold Project, Yukon Territory, Canada". SRK concluded that the results of exploration work completed in 2010 at the Coffee Gold Project warranted the 2011 exploration program as budgeted for by the Company.

Initial metallurgical test work comprising two samples of oxidized mineralized core from the Supremo and Latte gold deposits was completed in March 2011. Gold recoveries were reported as ranging from 96.2% to 98.5%, with average recoveries of 97.6% from CIL and 97.1% from CIP. There are no indications of refractory or coarse gold.

In April the Company commenced the 2011 drill program, comprising reverse circulation ("RC") drilling at the Supremo Zone testing the 'T3 Trend'. On June 6, 2011 the Company announced results from the first 22 RC holes which confirmed the lateral and vertical continuity of the T3 structure and included key intercepts include: 2.5 g/t Au over 27m; 10.4 g/t Au over 6m; 6.1 g/t Au over 9m; 4.5 g/t Au over 16.8m and 2.3 g/t Au over 24m .

In May 2011, three diamond core drills started drilling at the Coffee Project, testing the Latte and Double Double Zones. On June 13 2011, the Company announced initial results from the first 3 diamond drill holes at Latte, which included the highest grade gold intersections to date at Latte: 9.6 g/t Au over 17m and 17.6 g/t Au over 7m. This was followed August 9, 2011 with high grade results from drilling at Double Double including 74.9 g/t Au over 4m starting and 25.4 g/t Au over 2m.

Additional drilling programs during the 2011 field season included ongoing extensional drilling at Latte, Supremo, Connector and Kona. A total of approximately 48,000 metres drilling was completed during the 2011 field season to mid-October. Results are detailed in the Exploration Update section of this MD&A. Supremo T3 was expanded to a total strike length of 700m, with interpretation of geochemical and geophysical data suggesting the Supremo 'T' structures link with the Latte zone located 1km south, and also extends northwards for up to 800m, for a total inferred strike length of 2.5km. Latte was drilled over a total strike length of 1,350m and to 450m vertically below surface. Many holes host multiple intercepts and mineralization remains open in all directions. Geological similarities on all scales suggest these zones are related to the same mineralizing event and, as a result, are potentially connected along trend and at depth.

Financing and Corporate

- On March 3, 2011, the Company closed a bought deal private placement, issuing 1,917,050 common shares of the Company at a price of $3.00 per common share and 1,597,350 flow-through common shares at a price of $3.60 per flow-through common share for aggregate gross proceeds of $11,501,610.

  The Underwriters received a cash commission equivalent to 6% of the gross proceeds raised 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 $3.60 per common share.

- During the year, the Company issued 2,200,000 options to employees and consultants of the Company.

- On April 8, 2011, the Company announced the appointment of Mr. Garth Kirkham to the Board.

- During the year, the Company issued 1,250,000 common shares and paid $225,000 to Shawn Ryan as final payments on the option agreement to acquire 100% of the Coffee and Kirkman properties in the Yukon.

- During the year, a total of 1,202,500 options were exercised for gross proceeds of $696,504 and 464,602 share purchase warrants were exercised for gross proceeds of $752,655.

- During the year, 10,000 options expired without exercise.

Subsequent Events

Highlights of the Company's activities subsequent to the period ended September 30, 2011:

- On October 5, 2011, the Company's board of directors named Mr. Jonathan Singh as the Company's interim chief financial officer ("CFO"). Mr. Singh replaced Mr. Chris Twells as the Company's CFO.

- On October 11, 2011, the Company issued 150,000 options to an employee of the Company with an exercise price of $2.82 per common share.

- Due to the lag time in sample processing at the laboratories, the Company announced the results of several 2011 exploration programs in late 2011 / early 2012.

    - An extensive soil anomaly was identified at the newly recognized Sugar Trend, Coffee Gold Project. The scale, intensity and style of the Sugar soil results are similar to the original soil results that led to Kaminak's drill discoveries in 2010 at Coffee. A drilling program is planned for 2012.

    - Drilling assay results at the Connector zone extended mineralization 100m along trend and identified a new gold zone parallel to the original Connector mineralization, results include; CFD-149: 11.1 g/t Au over 4m.

    - Drilling assay results at Kona defined near-surface gold mineralization over 400m strike, with results including 5.2 g/t Au over 11m and 2.5 g/t Au over 17m.

    - Regional drilling yielded a new gold discovery at **Macchiato** which includes 5.4 g/t Au over 5m, 4.2 g/t Au over 6m, 3.6 g/t Au over 6m and 5.8g/t over 3m.

    - Mineralization remains open in all directions (along strike and to depth) at all zones at Coffee.

- On November 8, 2011, the Company completed a bought deal private placement offering of 1,786,000 common shares at a price of $2.80 per common share, and 2,985,000 flow-through common shares at a price of $3.35 per flow-through common share, for aggregate gross proceeds of $15,000,550. The underwriters received 286,260 compensation options at an exercise price of $3.35.
- On December 7, 2011, an option agreement has been signed with Michigan Potash Inc. ("MPI") on the Company's potash assets located in central Michigan of the United States. MPI has the right to earn a 100% interest in the Company's potash leases by issuing the Company an aggregate of 6,000,000 common shares in MPI and granting the Company a Michigan state-wide 1% gross overriding royalty with respect to all mined products sold from any MPI property. The agreement unlocks the value of these assets and allows the Company to continue to focus 100% of its efforts on exploring and advancing the Company's core asset, the Coffee Gold Project, Yukon Territory.
- Subsequent to September 30, 2011, 175,000 options were exercised for gross proceeds of $131,050.

Operational Summary

With the Company's success on its exploration program in 2011, the Company plans to continue carrying out its exploration program in 2012 to evaluate new prospects and opportunities. With its working capital of $10,806,773 at September 30, 2011 as well as the $15.0 million financing completed in November 2011, the Company has sufficient funds to carry out 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 and thus cannot be determined in advance.

During the year ended September 30, 2011 resource property costs increased by $28,637,244 after expenditures of $28,653,392 (2010 - $10,145,979) offset by write downs of $16,148 (2010 – $1,728,779). As at September 30, 2011, the Company's investment in resource property costs totalled $40,425,860 (September 30, 2010 - $11,788,616). Details of the cost break-down are contained in the Consolidated Schedule of Resource Property Costs section of the Company's financial statements.

Results of Operations

For the year ended September 30, 2011

During the year ended September 30, 2011, the Company's main task was the exploration of the Coffee property, the continued identification of new projects as well as advancing the Company's profile.

Net loss for the year ended September 30, 2011 was $7,004,547 or $0.11 per common share, a decrease of $1,415,222 from the net loss of $8,419,769 or $0.18 per common share for the year ended September 30, 2010. Of this difference, $701,146 related to the increase in future income tax recovery and reduction of $1,712,631 in write-offs of resource property costs. The Company's net loss for this year was also influenced by the associated general and administrative expenses, including stock based compensation, and the loss on disposition of marketable securities during the year.

	Note	2011	2010	Increase (Decrease)	
Accounting and legal	1	$ 184,449	$ 146,174	$ 38,275	26%
Bank charges and interest		8,122	5,546	2,576	46%
Depreciation	2	92,669	33,625	59,044	176%
Investor relations	3	120,327	87,103	33,224	38%
Listing and filing fees	4	104,605	65,395	39,210	60%
Office and sundry	5	133,018	67,438	65,580	97%
Rent	6	91,195	25,011	66,184	265%
Salaries and consulting fees	7	587,306	420,302	167,004	40%
Stock-based compensation		6,284,168	6,241,912	42,256	1%
Transfer agent fees		26,366	18,370	7,996	44%
Travel and conference	8	342,768	257,308	85,460	33%
		7,974,993	7,368,184	606,809	8%
Interest income	9	190,904	28,344	162,560	574%
Equity loss		(73,200)	(61,599)	(11,601)	(19%)
Gain (loss) on disposition of investments and marketable securities	10	(310,756)	221,984	(532,740)	(240%)
Gain on optioning of resource property		-	9,965	(9,965)	(100%)
Write-off of resource property costs	11	(16,148)	(1,728,779)	1,712,631	99%
Loss before income taxes		$ 8,184,193	$ 8,898,269	$ 1,274,148	(8%)

Notes:

1. Accounting and legal fees have increased from $146,174 to $184,449 due to increased accounting support work with the expanded 2011 work program, and increased audit fees.
2. Depreciation has increased from $33,625 to $92,669 due to significant additions to field equipment and field vehicles made during the year.
3. Investor relations expense has increased from $87,103 to $120,327 due to increased promotional activities to increase investor awareness in 2011.
4. Listing and filing fees have increased from $65,395 to $104,605 due to increased filing fees related to the larger proceeds raised in the current year compared to the prior year.
5. Office and sundry expenses have increased from $67,438 to $133,018 due to increased work related to the expanded 2011 work program.
6. Rent expense has increased from $25,011 to $91,195 due to the relocation of the Company's office and expansion of office space.
7. Salaries and consulting fees have increased from $420,302 to $587,306 as the Company increased its staff and incurred additional consulting fees with the success of the Coffee Project exploration program.
8. Travel and conference fees increased from $257,308 to $342,768 as a result of the Company's efforts to increase its profile. These efforts included attendance at numerous corporate development conferences and meetings.
9. Interest income increased from $28,344 to $190,904 as a result of the Company having higher cash balances for a longer period of time.

10. The prior year's gain on disposition of investments was the disposition of some shares of Kivalliq. The current year's loss on disposition of investments was the disposition of marketable securities.
11. Resource property costs for the Churchill, Nevada Gold, Sharpe Lake and Voigtberg properties were written off in the prior year, while only the Lach property was written off in the current year.

For the three months ended September 30, 2011

Net loss for the three month period ended September 30, 2011 was $4,956,563 or $0.07 per common share, a decrease of $433,902 over the net loss of $5,390,465 for the three month period ended September 30, 2010 ($0.10 loss per common share). Of this difference, $4,144,676 related to the decrease in non-cash stock-based compensation relating to the Black-Scholes calculation for the stock options that vested during the period, offset by $4,000,749 related to the future income tax recovery.

		Three Months Ended			
	Note	**2011**	**2010**	**Increase (Decrease)**	
Accounting and legal		$ 28,348	$ 43,707	$ (15,359)	(35%)
Bank charges and interest		3,023	1,029	1,994	194%
Depreciation		35,855	23,532	12,323	52%
Investor relations		37,312	34,135	3,177	9%
Listing and filing fees	1	(5)	40,458	(40,463)	(100%)
Office and sundry		14,999	17,299	(2,300)	(13%)
Rent	2	43,534	10,748	32,786	305%
Salaries and consulting fees	3	150,379	114,655	35,724	31%
Stock-based compensation	4	1,113,849	5,258,525	(4,144,676)	(79%)
Transfer agent fees		5,881	3,120	2,761	88%
Travel and conference	5	71,221	93,618	(22,397)	(24%)
		1,504,396	5,640,826	(4,136,430)	8%
Interest income	6	86,978	19,870	67,107	338%
Cost recoveries	7	(59,003)	-	(59,003)	(100%)
Equity loss		(8,045)	(15,351)	7,307	48%
Loss on disposition of marketable securities		(12,224)	-	(12,224)	(100%)
Gain on optioning of resource property		-	9,965	(9,965)	(100%)
Write-off of resource property costs	8	(5,851)	(242,623)	236,772	98%
Loss before income taxes		$ 1,502,541	$ 5,868,965	$ 4,366,424	74%

Notes:

1. Listing and filing fees have decreased from $40,458 to ($5) due to the prior year incurring filing fees related to the July 2010 private placement, while no private placement occurred in the three months ending September 30, 2011.
2. Rent expense has increased from $10,748 to $43,534 due to the relocation of the Company's office and expansion of office space.

3. Salaries and consulting fees have increased from $114,655 to $150,379 as the Company increased its staff and incurred additional consulting fees with the success of the Coffee Project exploration program.
4. Stock-based compensation expense has decreased from $5,258,525 to $1,113,849 due to the timing of the recognition of stock-based compensation. The current year expense was recognized more evenly throughout the year while the prior year expense was mainly recognized in the fourth quarter.
5. Travel and conference fees decreased from $93,618 to $71,221 as a result of the Company's efforts to increase its profile. These efforts included attendance at numerous corporate development conferences and meetings.
6. Interest income increased from $19,870 to $86,977 as a result of the Company having higher cash balances for a longer period of time.
7. Cost recoveries were recognized in the first nine months of the current year, but were reversed out in the fourth quarter of the current year. The ending balance at year-end was nil.
8. Resource property costs for the Churchill, Nevada Gold, Sharpe Lake and Voigtberg properties were written off in the prior year, while only the Lach property was written off in the current year.

Selected Annual Information:

The following table summarizes selected financial data reported by the Company for the years ended September 30, 2011, 2010 and 2009. 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, 2011	For the year ended or as at September 30, 2010	For the year ended or as at September 30, 2009
Revenues	**Nil**	Nil	Nil
Interest and other income	**$190,904**	$28,344	$28,407
Loss	**$7,004,547**	$8,419,769	$1,003,913
Basic and diluted loss per common share	**$0.11**	$0.18	$0.03
Total assets	**$54,650,219**	$26,073,983	$9,297,207
Total long term debt	**Nil**	Nil	Nil
Shareholders' equity	**$48,012,563**	$25,383,016	$8,981,145
Share capital	**$54,895,537**	$31,448,983	$11,885,816
Contributed surplus	**$12,972,977**	$6,978,937	$1,880,714
Deficit	**$19,815,951**	$12,811,404	$4,391,635
Cash dividends declared per common share	**Nil**	Nil	Nil

Summary of Quarterly Results

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

	Sept. 30, 2011	June 30, 2011	Mar.31, 2011	Dec. 31, 2010	Sept. 30, 2010	June 30, 2010	Mar.31, 2010	Dec.31, 2009
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Interest and other income	$86,978	$61,337	$23,342	$19,247	$19,870	$3,921	$4,553	Nil
Net income (loss)	$(4,956,563)	$(4,155,069)	$3,360,666	$(1,253,581)	$(5,390,464)	$(1,019,635)	$(689,251)	$(1,320,419)
Basic and diluted income (loss) per common share	($0.07)	($0.06)	$0.05	($0.02)	($0.10)	($0.02)	($0.02)	($0.03)
Total assets	$54,650,219	$54,612,256	$47,299,759	$36,661,987	$26,073,983	$11,878,684	$11,570,118	$9,300,976
Total long term debt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders' equity	$48,012,563	$51,884,803	$46,843,493	$36,520,092	$25,383,016	$11,354,325	$11,363,497	$9,216,259
Share capital	$54,895,537	$54,651,898	$49,030,163	$43,007,618	$31,448,983	$16,873,838	$16,180,201	$13,433,641
Contributed surplus	$12,972,977	$12,148,295	$8,553,764	$7,821,459	$6,978,937	$2,336,177	$1,982,601	$1,886,172
Deficit	$(19,815,951)	$(14,859,388)	$(10,704,319)	$(14,064,985)	$(12,811,404)	$(7,420,940)	$(6,401,305)	$(5,712,054)
Cash dividends declared per common 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 September 30, 2011, the company had working capital of $10,806,773 (September 30, 2010 - $13,320,657).

Cash and cash equivalents was $10,974,259 (September 30, 2010 – $12,466,401).

During the year ended September 30, 2011, the Company spent a total of $21,855,746 (2010 - $9,290,391) on the Company's resource properties and other investing activities, spent $3,070,810 (2010 – $1,661,988) on the operating activities of the company, and received $23,434,414 (2010 - $18,243,478) from the issuance of shares via private placement and from the exercise of warrants and stock options. The Company maintains a strong cash position and is currently maintaining tight control of its costs while it explores its Coffee property and its other existing property's and reviews new property acquisitions and joint ventures.

During the three months ended September 30, 2011, the Company spent a total of $14,402,016 (three months ended September 30, 2010 - $5,406,920) on the Company's resource properties and other investing activities, spent $571,471 (three months ended September 30, 2010 - $1,660,045) on the operating activities of the company and received $416,294 (three months ended September 30, 2010 - $14,428,881) from the issuance of shares via private placement and from the exercise of warrants and stock options.

At September 30, 2011, the Company's investment in resource properties, net of write downs aggregated $40,425,860 (September 30, 2010 - $11,788,616), made up of the following:

	Acquisition Costs	Exploration Costs	**Cumulative as at September 30, 2011**	Cumulative as at September 30, 2010
Bathurst, Nunavut	$ 55,716	$ 409	**$ 56,125**	$ 46,412
Coffee and Kirkman, Yukon	6,409,638	31,856,539	**38,266,177**	10,280,538
Hemlo, Ontario	70,682	470,545	**541,227**	397,909
IME, Nunavut	30,957	60,238	**91,195**	91,195
Lach, Nunavut	-	-	**-**	14,838
Matrix, Nunavut	47,066	20,054	**67,120**	67,120
Michigan Potash, Michigan	91,149	36,707	**127,857**	-
Needle, Nunavut	-	41,519	**41,519**	41,519
Needle (Diamond), Nunavut	-	8,999	**8,999**	8,999
Nizi/Cry Lake, BC	4,189	-	**4,189**	4,189
Quebec Nickel Properties, Quebec	114,950	126,738	**241,688**	186,194
Sail, BC	28,731	-	**28,731**	28,662
Sekwi, NWT	82,059	99,429	**181,488**	-
Sy, Nunavut	18,379	210,219	**228,598**	228,598
TBN, Ontario	61,200	363,323	**424,523**	250,131
Misc. Properties, Yukon	78,651	37,773	**116,424**	142,312
	$ 7,093,367	$ 33,332,493	**$ 40,425,860**	$ 11,788,616

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

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.

Exploration Update

Churchill Gold Property, Nunavut Territory

The Company retains a 20% back-in-right on the non-diamond mineral rights of the Churchill Property owned by Shear. The back-in-right is 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. The Company is supposed to receive annual summary reports on all non-diamond exploration work on the property which includes a detailed yearly accounting summary.

Coffee and Kirkman, Yukon

The Coffee and Kirkman properties total over 150,000 acres and are located in the newly recognized “White” gold district in the west-central Yukon.

The Company earned a 100% interest in the properties from Shawn Ryan of Dawson City, Yukon by incurring exploration expenditures in excess of $1,800,000, issuing a total of 2,050,000 shares and making a total cash payment of $400,000 to Mr. Ryan.

Mr. Ryan retains a 2% NSR subject at anytime to a 1% buy-back for $2,000,000 with annual advance royalty payments of $20,000 commencing December 31, 2013.

In 2010 the Company defined eight significant gold trends on the Coffee property over a total length of 11km. During 2011, 247 boreholes (48,000 metres) were drilled: 101 core boreholes (28, 463 metres) and 146 RC boreholes (19,538 metres) at Supremo, Latte and Connector, Double Double, Kona, Americano, Macchiato, and Cappuccino prospect areas.

Exploration work carried out from 2009 to 2011 is summarized below.

Coffee Gold Project: Exploration Work Completed by Kaminak 2009 - 2011

Exploration Work	2009	2010	2011
Drilling	-	76 boreholes 16,104 metres	247 boreholes 48,000 metres
Soil Samples	6,000 samples	9,473 samples	10,958 samples
Trenching	4,000 metres	4,000 metres	3,824 metres
Mapping and Sampling	10 day reconnaissance program	10 day reconnaissance program	15 day reconnaissance program
Geophysics	261 line-kilometre ground magnetic survey	Ground magnetic (465 line-kilometre at 100 metre spacing and 114 line-kilometre at 25 to 50 metre spacing	4,842 line-kilometer helicopter magnetic and gamma-ray spectrometric airborne survey; 15.9 line-kilometres of horizontal loop electromagnetic (HLEM) and Ohm mapper surveys
Geomorphology	N/A	N/A	Geomorphological study

During 2011, 247 boreholes (48,000 metres) were drilled: 101 core boreholes (28,463 metres) and 146 RC boreholes (19,538 metres) at Supremo, Latte and Connector, Double Double, Kona, Americano, Macchiato, and Cappuccino prospect areas.

Coffee Gold Project: Salient Assay Results from the 2011 Core Drilling Program.

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFD0077	75.0	77.0	2.0	5.78	DD	CFD0104	125.0	127.0	2.0	2.73	DD
CFD0078	175.0	180.0	5.0	1.17	Latte	CFD0104	147.0	148.0	1.0	4.29	DD
CFD0078	191.0	194.0	3.0	5.00	Latte	CFD0104	225.0	226.0	1.0	2.69	DD
CFD0078	226.0	270.0	44.0	1.11	Latte	CFD0105	163.0	174.0	11.0	2.04	Latte
CFD0079	162.0	166.0	4.0	2.27	DD	CFD0105	182.0	199.0	17.0	1.58	Latte
CFD0079	191.0	193.0	2.0	4.55	DD	CFD0105	231.0	240.0	9.0	1.99	Latte

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFD0080	7.0	9.0	2.0	7.29	Latte
CFD0080	46.0	49.0	3.0	2.79	Latte
CFD0080	60.0	67.0	7.0	17.36	Latte
CFD0080	69.0	122.0	53.0	1.01	Latte
CFD0081	73.0	78.0	5.0	8.37	DD
CFD0082	94.0	97.0	3.0	3.19	Latte
CFD0082	109.0	126.0	17.0	9.61	Latte
CFD0083	43.0	44.0	1.0	16.65	DD
CFD0084	61.0	91.0	30.0	0.96	Latte
CFD0084	136.0	139.0	3.0	0.69	Latte
CFD0085	115.0	120.0	5.0	1.61	Latte
CFD0085	133.0	171.0	38.0	1.55	Latte
CFD0085	197.0	210.0	13.0	0.93	Latte
CFD0086	260.0	269.0	9.0	1.00	DD
CFD0087	142.0	173.0	31.0	2.65	Latte
CFD0087	184.0	253.0	69.0	1.15	Latte
CFD0088	43.0	45.0	2.0	25.40	DD
CFD0089	54.0	92.0	38.0	0.73	Latte
CFD0089	107.0	120.0	13.0	2.01	Latte
CFD0090	105.0	109.0	4.0	74.90	DD
CFD0090	189.0	191.0	2.0	5.89	DD
CFD0090	205.0	207.0	2.0	7.22	DD
CFD0091	40.0	50.0	10.0	8.64	Latte
CFD0092	9.0	19.0	10.0	1.23	Latte
CFD0092	75.0	80.0	5.0	7.79	Latte
CFD0093	12.0	15.0	3.0	8.23	DD
CFD0093	57.0	60.0	3.0	12.15	DD
CFD0093	101.0	107.0	6.0	5.31	DD
CFD0093	167.0	172.0	5.0	6.21	DD
CFD0094	110.0	111.0	1.0	5.42	Latte
CFD0094	153.0	158.0	5.0	1.81	Latte
CFD0095	5.0	15.0	10.0	1.89	Latte
CFD0095	53.0	55.0	2.0	1.80	Latte
CFD0095	95.0	101.0	6.0	2.07	Latte
CFD0096	75.0	88.0	13.0	2.17	Latte
CFD0096	99.0	101.0	2.0	1.75	Latte
CFD0096	122.0	125.0	3.0	1.45	Latte
CFD0096	146.0	160.0	14.0	2.58	Latte
CFD0097	3.2	8.0	4.8	2.44	Latte
CFD0097	30.0	33.0	3.0	8.96	Latte
CFD0097	100.0	103.0	3.0	4.93	Latte
CFD0097	218.0	221.0	3.0	15.51	Latte
CFD0098	16.0	20.0	4.0	4.32	DD
CFD0098	97.0	103.0	6.0	2.00	DD
CFD0099	138.0	179.0	41.0	1.90	Latte
CFD0099	224.0	227.0	3.0	1.94	Latte
CFD0099	245.0	247.0	2.0	1.91	Latte
CFD0100	5.0	11.0	6.0	0.96	Latte
CFD0100	48.0	49.0	1.0	2.69	Latte
CFD0101	29.0	31.0	2.0	14.35	DD
CFD0102	4.1	26.0	21.9	0.66	Latte
CFD0102	36.0	62.0	26.0	1.89	Latte
CFD0103	166.0	183.0	17.0	3.86	Latte
CFD0104	71.0	72.0	1.0	56.40	DD
CFD0139	217.0	219.0	2.0	2.51	Latte
CFD0140A	215.0	234.0	19.0	2.04	Latte
CFD0141	150.0	156.0	6.0	2.20	Kona
CFD0141	259.0	261.0	2.0	1.20	Kona
CFD0141	273.0	280.0	7.0	1.05	Kona
CFD0141	301.0	303.0	2.0	2.04	Kona
CFD0142	92.0	93.0	1.0	1.62	Latte
CFD0143	169.0	171.0	2.0	1.07	Kona
CFD0143	233.0	239.0	6.0	1.01	Kona
CFD0144	130.0	135.0	5.0	3.52	Connect
CFD0144	199.0	202.0	3.0	1.58	Connect
CFD0144	207.0	211.0	4.0	3.99	Connect
CFD0145	239.0	248.0	9.0	2.38	Latte
CFD0145	307.0	311.0	4.0	1.05	Latte
CFD0106	189.0	191.0	2.0	1.85	Latte
CFD0106	194.0	196.0	2.0	1.30	Latte
CFD0106	207.0	210.0	3.0	0.88	Latte
CFD0107	88.0	93.0	5.0	3.77	Latte
CFD0107	108.0	109.0	1.0	3.82	Latte
CFD0107	136.0	140.0	4.0	2.02	Latte
CFD0108	219.0	225.0	6.0	2.92	Latte
CFD0108	235.0	241.0	6.0	2.11	Latte
CFD0109	65.0	66.0	1.0	5.03	Latte
CFD0110	73.0	79.0	6.0	1.69	Latte
CFD0110	121.0	126.0	5.0	2.81	Latte
CFD0110	133.0	170.0	37.0	1.09	Latte
CFD0110	182.0	187.0	5.0	1.48	Latte
CFD0111	91.0	92.0	1.0	3.84	Latte
CFD0111	168.0	170.0	2.0	2.06	Latte
CFD0112	65.0	69.0	4.0	1.02	Latte
CFD0113	84.0	91.0	7.0	8.46	Latte
CFD0114	161.0	164.0	3.0	1.42	Latte
CFD0114	246.0	256.0	10.0	6.44	Latte
CFD0115A	142.0	201.0	59.0	2.11	Latte
CFD0115A	211.4	222.0	10.6	1.05	Latte
CFD0115A	229.0	234.0	5.0	2.40	Latte
CFD0117	70.0	73.0	3.0	0.85	Latte
CFD0118	85.0	90.0	5.0	1.07	Latte
CFD0118	220.0	221.0	1.0	6.15	Latte
CFD0119	169.0	171.0	2.0	4.13	Latte
CFD0119	184.0	187.0	3.0	11.96	Latte
CFD0119	197.0	200.0	3.0	2.44	Latte
CFD0119	240.0	271.0	31.0	2.50	Latte
CFD0120	56.0	58.0	2.0	3.11	Latte
CFD0120	72.0	88.0	16.0	1.10	Latte
CFD0121	77.0	81.0	4.0	0.94	Latte
CFD0121	94.0	99.0	5.0	1.00	Latte
CFD0122	123.0	137.0	14.0	2.12	Latte
CFD0123	219.0	224.0	5.0	13.46	Latte
CFD0123	234.0	255.0	21.0	2.18	Latte
CFD0123	267.0	298.0	31.0	1.11	Latte
CFD0124	71.0	91.0	20.0	1.04	Latte
CFD0127	122.0	134.0	12.0	2.27	Latte
CFD0128	26.0	31.0	5.0	0.60	Latte
CFD0129	72.0	85.0	13.0	1.77	Latte
CFD0129	129.0	132.0	3.0	2.01	Latte
CFD0129	140.0	156.0	16.0	1.83	Latte
CFD0130	33.0	36.0	3.0	1.05	Latte
CFD0131	81.0	84.0	3.0	1.77	Latte
CFD0131	208.0	226.0	18.0	1.83	Latte
CFD0131	253.0	257.0	4.0	1.44	Latte
CFD0133	169.0	170.0	1.0	0.63	Latte
CFD0135	79.0	82.0	3.0	1.50	Latte
CFD0135	126.0	131.0	5.0	3.23	Latte
CFD0136	273.0	274.0	1.0	7.46	Latte
CFD0137	204.0	209.0	5.0	4.25	Kona
CFD0137	228.0	230.0	2.0	3.73	Kona
CFD0138	14.0	15.0	1.0	0.61	Latte
CFD0161	17.0	19.0	2.0	2.77	Amer. W.
CFD0162	113.0	114.0	1.0	2.56	Supremo
CFD0162	122.0	123.0	1.0	2.57	Supremo
CFD0163	60.0	61.0	1.0	1.49	Capp.
CFD0163	123.0	124.0	1.0	1.46	Capp.
CFD0164	320.0	324.0	4.0	1.16	Latte
CFD0164	344.0	348.0	4.0	1.54	Latte
CFD0164	353.0	367.0	14.0	5.47	Latte
CFD0164	375.0	385.0	10.0	1.31	Latte
CFD0164	433.0	444.0	11.0	5.49	Latte
CFD0164	454.0	457.0	3.0	20.52	Latte
CFD0164	464.0	477.0	13.0	2.81	Latte
CFD0165	135.0	136.0	1.0	2.69	Amer. W.
CFD0166	127.0	128.0	1.0	1.98	Supremo

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFD0146	62.0	65.0	3.0	1.03	Connect	CFD0166	139.0	141.0	2.0	0.96	Supremo
CFD0146	99.0	105.0	6.0	1.00	Connect	CFD0166	149.0	151.0	2.0	4.23	Supremo
CFD0146	158.0	160.0	2.0	1.22	Connect	CFD0166	208.0	217.0	9.0	0.75	Supremo
CFD0146	302.0	305.0	3.0	0.98	Connect	CFD0166	230.0	231.0	1.0	4.84	Supremo
CFD0147	135.0	140.0	5.0	2.28	Kona	CFD0168	36.0	38.0	2.0	1.74	Supremo
CFD0147	149.0	152.0	3.0	1.39	Kona	CFD0168	101.0	103.0	2.0	5.16	Supremo
CFD0148	39.0	41.0	2.0	0.88	Macchiato	CFD0168	254.0	255.0	1.0	8.59	Supremo
CFD0148	45.0	51.0	6.0	4.22	Macchiato	CFD0168	292.0	294.0	2.0	1.55	Supremo
CFD0148	106.0	115.0	9.0	0.86	Macchiato	CFD0169	237.0	245.0	8.0	3.80	Latte
CFD0149	70.0	77.0	7.0	1.84	Connect	CFD0169	256.0	257.0	1.0	11.50	Latte
CFD0149	127.0	133.0	6.0	2.10	Connect	CFD0169	262.0	265.0	3.0	3.74	Latte
CFD0149	139.0	156.0	17.0	1.51	Connect	CFD0169	281.0	329.0	48.0	1.12	Latte
CFD0149	166.0	168.0	2.0	10.12	Connect	CFD0170	142.0	144.0	2.0	5.21	Supremo
CFD0149	195.0	196.0	1.0	9.39	Connect	CFD0170	174.0	177.0	3.0	2.43	Supremo
CFD0149	311.0	313.0	2.0	1.26	Connect	CFD0170	194.0	196.0	2.0	1.42	Supremo
CFD0149	324.0	325.0	1.0	2.90	Connect	CFD0170	302.0	305.0	3.0	5.15	Supremo
CFD0149	362.0	370.0	8.0	1.99	Connect	CFD0170	364.0	365.0	1.0	2.57	Supremo
CFD0150	76.0	78.0	2.0	1.15	Kona	CFD0170	420.0	421.0	1.0	1.91	Supremo
CFD0150	206.0	212.0	6.0	2.31	Kona	CFD0171	273.0	275.0	2.0	4.33	Latte
CFD0150	217.0	220.0	3.0	3.84	Kona	CFD0171	302.0	304.0	2.0	1.43	Latte
CFD0150	253.0	255.0	2.0	1.95	Kona	CFD0171	313.0	316.0	3.0	0.87	Latte
CFD0150	269.0	271.0	2.0	3.30	Kona	CFD0171	327.0	329.0	2.0	1.10	Latte
CFD0151	10.0	15.0	5.0	5.43	Macchiato	CFD0171	334.0	344.0	10.0	1.91	Latte
CFD0151	89.0	94.0	5.0	0.58	Macchiato	CFD0171	351.0	356.0	5.0	1.44	Latte
CFD0152	88.0	92.0	4.0	1.91	Connect	CFD0172	171.0	177.0	6.0	0.83	Latte N.
CFD0152	103.0	107.0	4.0	11.09	Connect	CFD0173	86.0	89.0	3.0	1.47	Supremo
CFD0152	153.0	161.0	8.0	1.90	Connect	CFD0173	116.0	119.0	3.0	0.68	Supremo
CFD0152	173.0	175.0	2.0	6.50	Connect	CFD0173	130.0	132.0	2.0	1.28	Supremo
CFD0152	230.0	234.0	4.0	0.86	Connect	CFD0173	144.0	151.0	7.0	1.20	Supremo
CFD0154	59.0	61.0	2.0	3.60	Macchiato	CFD0173	263.0	270.0	7.0	1.08	Supremo
CFD0154	121.0	124.0	3.0	5.78	Macchiato	CFD0174	276.0	279.0	3.0	0.76	Latte
CFD0156	157.0	158.0	1.0	4.06	Supremo	CFD0174	337.0	371.0	34.0	0.99	Latte
CFD0157	211.0	214.0	3.0	1.32	Amer. W.	CFD0174	390.0	392.0	2.0	0.93	Latte
CFD0157	253.0	254.0	1.0	3.69	Amer. W.	CFD0175	98.0	105.0	7.0	4.04	Supremo
CFD0158	12.0	14.0	2.0	1.35	Supremo	CFD0175	203.0	205.0	2.0	3.27	Supremo
CFD0159	56.0	62.0	6.0	3.60	Macchiato	CFD0175	219.0	225.0	6.0	2.43	Supremo
CFD0159	84.0	89.0	5.0	1.01	Macchiato	CFD0176	77.0	92.0	15.0	5.74	Supremo
CFD0159	117.0	123.0	6.0	1.13	Macchiato	CFD0177	122.0	126.0	4.0	12.07	Supremo
CFD0160	24.0	26.0	2.0	1.73	Capp.	CFD0177	149.0	151.0	2.0	1.05	Supremo

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

Coffee Gold Project: **Salient Assay Results from the 2011 RC Drilling Program.**

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFR0001	36.88	53.64	16.76	4.51	Supremo	CFR0054	27.13	33.22	6.09	1.43	Kona
CFR0002	52.12	79.55	27.43	2.36	Supremo	CFR0054	71.32	77.42	6.1	3.09	Kona
CFR0003	89.31	116.74	27.43	2.52	Supremo	CFR0055	0.00	7.92	7.92	2.51	Kona
CFR0004	17.07	18.59	1.52	1.06	Supremo	CFR0055	20.12	47.55	27.43	2.48	Kona
CFR0005	15.24	21.34	6.10	10.41	Supremo	CFR0055	152.70	184.71	32.01	1.00	Kona
CFR0006	42.67	64.01	21.34	2.39	Supremo	CFR0056	44.81	55.47	10.66	1.34	Kona
CFR0006A	47.24	71.63	24.39	2.28	Supremo	CFR0056	66.14	76.81	10.67	5.16	Kona
CFR0007	78.94	94.18	15.24	2.04	Supremo	CFR0056	90.53	93.57	3.04	4.00	Kona
CFR0008	17.07	36.88	19.81	1.22	Supremo	CFR0056	142.34	145.39	3.05	1.31	Kona
CFR0009	41.15	50.29	9.14	6.12	Supremo	CFR0057	33.53	36.58	3.05	1.53	Kona
CFR0009	65.53	70.10	4.57	4.85	Supremo	CFR0059	16.76	27.43	10.67	1.39	Kona
CFR0011	94.49	97.54	3.05	2.07	Supremo	CFR0059	50.29	59.44	9.15	1.35	Kona
CFR0012	24.38	36.58	12.20	1.39	Supremo	CFR0059	106.68	109.73	3.05	2.33	Kona
CFR0013	79.86	95.10	15.24	1.96	Supremo	CFR0060	39.62	48.77	9.15	4.50	Kona
CFR0013	102.72	108.81	6.09	4.62	Supremo	CFR0061	65.53	85.34	19.81	2.07	Kona
CFR0013	124.05	130.15	6.10	2.3	Supremo	CFR0061	109.73	117.35	7.62	0.93	Kona
CFR0014	24.08	25.60	1.52	1.41	Supremo	CFR0061	138.68	141.73	3.05	1.45	Kona
CFR0014	91.14	98.76	7.62	0.75	Supremo	CFR0062	40.54	42.06	1.52	2.51	Kona

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFR0016	109.73	121.92	12.19	1.98	Supremo	CFR0063	3.96	16.76	12.8	2.33	Kona
CFR0016	129.54	149.35	19.81	1.54	Supremo	CFR0063	38.10	47.24	9.14	1.22	Kona
CFR0017	88.39	91.44	3.05	0.78	Supremo	CFR0063	59.44	65.53	6.09	1.01	Kona
CFR0018A	149.35	153.92	4.57	2.25	Supremo	CFR0063	74.68	79.25	4.57	1.01	Kona
CFR0019	13.72	25.91	12.19	2.95	Supremo	CFR0064	30.48	53.34	22.86	1.31	Kona
CFR0020	12.19	21.34	9.15	1.83	Supremo	CFR0064	109.73	114.30	4.57	0.89	Kona
CFR0021	36.58	70.10	33.52	1.28	Supremo	CFR0064	126.49	129.54	3.05	0.97	Kona
CFR0022	22.86	30.48	7.62	2.64	Supremo	CFR0065	85.95	90.53	4.58	2.24	Kona
CFR0023	70.71	79.86	9.15	1.77	Supremo	CFR0065	119.48	122.53	3.05	1.50	Kona
CFR0024	47.24	53.34	6.10	3.28	Supremo	CFR0065	174.35	177.39	3.04	1.73	Kona
CFR0025A	80.77	83.82	3.05	1.06	Supremo	CFR0066	2.74	5.79	3.05	0.88	Kona
CFR0027	18.29	27.43	9.14	11.61	Supremo	CFR0066	85.95	90.53	4.58	1.20	Kona
CFR0027	38.10	45.72	7.62	1.65	Supremo	CFR0067	29.26	35.36	6.1	1.31	Kona
CFR0028	71.63	76.20	4.57	3.29	Supremo	CFR0067	41.45	46.02	4.57	4.23	Kona
CFR0029	135.64	141.73	6.09	1.57	Supremo	CFR0067	58.22	59.74	1.52	2.38	Kona
CFR0030	143.26	147.83	4.57	1.19	Supremo	CFR0068	76.20	79.25	3.05	3.39	Kona
CFR0031	41.15	54.86	13.71	3.01	Supremo	CFR0069	98.15	102.72	4.57	2.80	Kona
CFR0031	65.53	68.58	3.05	3.54	Supremo	CFR0070A	17.07	18.59	1.52	1.18	Kona
CFR0032	77.72	83.82	6.10	2.26	Supremo	CFR0071	46.33	50.90	4.57	1.38	Kona
CFR0033A	94.49	114.30	19.81	2.54	Supremo	CFR0072	49.38	53.95	4.57	1.87	Kona
CFR0034	21.34	25.91	4.57	9.82	Supremo	CFR0072	73.76	75.29	1.53	3.44	Kona
CFR0035	30.48	45.72	15.24	13.5	Supremo	CFR0072	111.86	119.48	7.62	5.52	Kona
CFR0036	50.29	59.44	9.15	8.67	Supremo	CFR0073	10.67	13.72	3.05	1.93	Kona
CFR0037	93.27	96.32	3.05	1.42	Supremo	CFR0073	89.92	106.68	16.76	1.09	Kona
CFR0038	22.86	24.38	1.52	3.41	Supremo	CFR0073	117.35	121.92	4.57	2.05	Kona
CFR0038A	24.69	26.21	1.52	2.42	Supremo	CFR0074	123.44	128.02	4.58	1.21	Kona
CFR0039	24.99	31.09	6.10	2.37	Supremo	CFR0074	140.21	156.97	16.76	2.54	Kona
CFR0040	167.94	169.47	1.53	2.44	Supremo	CFR0075	112.78	114.30	1.52	2.30	Kona
CFR0041	148.44	166.73	18.29	0.89	Supremo	CFR0076	33.83	46.02	12.19	1.60	Kona
CFR0042	125.58	128.63	3.05	2.33	Supremo	CFR0076	125.27	128.32	3.05	1.55	Kona
CFR0043	60.05	61.57	1.52	5.07	Supremo	CFR0076	172.52	175.56	3.04	0.69	Kona
CFR0044	93.57	121.01	27.44	1.60	Supremo	CFR0077	92.96	100.58	7.62	0.77	Kona
CFR0045	110.34	137.77	27.43	2.11	Supremo	CFR0078	56.69	58.22	1.53	1.08	Kona
CFR0046	0.00	13.72	13.72	4.28	Supremo	CFR0079	140.51	148.13	7.62	2.87	Kona
CFR0048	82.30	83.82	1.52	1.75	Supremo	CFR0083	35.05	38.10	3.05	1.35	Kona
CFR0049	33.83	39.93	6.10	5.33	Supremo	CFR0084	89.31	92.35	3.04	5.32	Kona
CFR0050	8.23	14.33	6.10	19.89	Supremo	CFR0089A	56.39	59.44	3.05	1.77	Kona
CFR0051	46.94	59.13	12.19	7.85	Supremo	CFR0093	141.73	150.88	9.15	2.05	Kona
CFR0052	87.48	93.57	6.09	10.66	Supremo	CFR0094	50.60	64.31	13.71	2.03	Kona
CFR0053	117.04	135.33	18.29	8.23	Supremo	CFR0094	78.03	81.08	3.05	1.36	Kona
CFR0054	0.00	4.27	4.27	1.50	Kona	CFR0095	52.73	78.64	25.91	1.03	Kona
CFR0054	7.32	17.98	10.7	0.84	Kona	CFR0096	15.85	21.95	6.10	2.89	Kona
CFR0097	20.42	23.47	3.05	0.78	Kona	CFR0121	60.05	64.62	4.57	3.45	Supremo
CFR0098	48.46	51.51	3.05	2.49	Kona	CFR0122	52.12	59.74	7.62	9.09	Supremo
CFR0098	62.18	66.75	4.57	0.93	Kona	CFR0122	87.17	88.70	1.53	2.32	Supremo
CFR0098	75.90	78.94	3.04	1.53	Kona	CFR0123	87.17	90.22	3.05	5.95	Supremo
CFR0098	85.04	91.14	6.10	2.16	Kona	CFR0124	120.70	131.37	10.67	19.56	Supremo
CFR0099	72.54	74.07	1.53	1.84	Kona	CFR0125	14.02	21.64	7.62	0.98	Supremo
CFR0102	0.0	7.01	7.01	3.34	Supremo	CFR0126	17.07	18.59	1.52	4.33	Supremo
CFR0102	33.83	38.40	4.57	0.74	Supremo	CFR0126	27.74	33.83	6.09	2.12	Supremo
CFR0103	31.09	34.14	3.05	1.44	Supremo	CFR0126	76.5	79.55	3.05	1.46	Supremo
CFR0104	61.26	67.36	6.10	2.25	Supremo	CFR0126	199.95	203.00	3.05	11.52	Supremo
CFR0105	87.17	93.27	6.10	1.28	Supremo	CFR0127	35.36	41.45	6.09	1.33	Supremo
CFR0106	5.49	9.45	3.96	2.51	Supremo	CFR0127	53.64	74.98	21.34	2.89	Supremo
CFR0108	12.5	17.07	4.57	2.03	Supremo	CFR0127	116.13	120.70	4.57	0.63	Supremo
CFR0109	53.95	58.52	4.57	1.26	Supremo	CFR0128	52.12	53.64	1.52	3.50	Supremo
CFR0110	36.88	42.98	6.10	0.67	Supremo	CFR0128	76.50	81.08	4.58	1.46	Supremo
CFR0110	81.08	84.12	3.04	2.56	Supremo	CFR0128	90.22	96.32	6.10	1.18	Supremo
CFR0111	73.46	79.55	6.09	1.15	Supremo	CFR0128	120.70	138.99	18.29	1.09	Supremo
CFR0112	91.74	97.84	6.10	2.06	Supremo	CFR0129	15.54	18.59	3.05	3.11	Supremo
CFR0113	3.96	18.59	14.63	2.66	Supremo	CFR0129	61.26	64.31	3.05	2.30	Supremo
CFR0113	29.26	32.31	3.05	0.90	Supremo	CFR0129	137.46	142.04	4.58	2.06	Supremo
CFR0114	12.50	36.88	24.38	2.56	Supremo	CFR0130B	73.46	76.50	3.04	1.65	Supremo
CFR0115	35.97	37.49	1.52	3.01	Supremo	CFR0130B	152.70	161.85	9.15	6.48	Supremo
CFR0116	65.84	70.41	4.57	1.06	Supremo	CFR0131	12.50	18.59	6.09	4.38	Supremo
CFR0116	74.98	81.08	6.10	1.03	Supremo	CFR0131	78.03	96.32	18.29	1.06	Supremo
CFR0117	6.40	18.59	12.19	6.52	Supremo	CFR0131	187.76	189.28	1.52	2.09	Supremo
CFR0118	49.07	58.22	9.15	4.21	Supremo	CFR0132A	9.45	10.97	1.52	2.20	Supremo

Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect	Hole ID	From (metre)	To (metre)	Length* (metre)	Gold (gpt)	Prospect
CFR0119	84.43	92.05	7.62	3.07	Supremo	CFR0132A	20.12	21.64	1.52	2.86	Supremo
CFR0120	111.86	121.01	9.15	4.68	Supremo	CFR0132A	65.84	67.36	1.52	7.30	Supremo
CFR0121	24.99	28.04	3.05	45.91	Supremo	CFR0133	45.72	48.77	3.05	1.41	Supremo
CFR0121	50.90	52.43	1.53	2.43	Supremo	CFR0134	99.06	112.78	13.72	1.50	Supremo

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

Supremo Trend

Drill Results

The Supremo zone consists of at least 7 north-south trending gold-bearing structural zones (T1 to T7) which are co-incident with a well defined 2km by 2km gold-in-soil anomaly. The T3 structure has been traced for at least 700m and remains open along trend and to depth. RC drilling at Supremo successfully defines continuous high-grade, near-surface and oxidized gold within moderately plunging zones of the T3 structure. Gold-in-soil data and geophysical / structural interpretations suggest the Supremo gold-bearing structures extend towards the Connector and Latte gold zones, and northwards towards the Macchiato / Cappuccino Zones, for a possible potential strike length in excess of 2.5 kilometres. Key Results from 2011 included:

CFR-27	11.6g/t Au over 9.1m (from 18.3m)		CFR-50	19.9 g/t Au over 6.1 m (from 8.2m)
CFR-31	3.0 g/t Au over 13.7m (from 41.2m)		CFR-51	7.9 g/t Au over 12.2m (from 46.9m)
CFR-33A	2.5 g/t Au over 19.8m (from 94.5m)		CFR-52	10.7 g/t Au over 6.1m (from 87.5m)
CFR-34	9.8 g/t Au over 4.6m (from 21.3m)		CFR-53	8.2 g/t Au over 18.3m (from 117m)
CFR-35	13.5 g/t Au over 15.2m (from 30.5m)		CFR-121	45.9 g/t Au over 3.05m (from 25m)
CFR-36	8.7 g/t Au over 9.2m (from 50.3m)		CFR-124	19.56g/t Au over 10.67m (from 120.7m)
CFR-45	2.1 g/t Au over 27.4m (from 110.3m)		CFD-176	5.74g/t Au over 15m (from 92m)
CFR-46	4.3 g/t Au over 13.7m (from surface)		CFD-177	12.07g/t Au over 4m (from 122m)

Latte Trend

The Latte Trend was extended during 2011 at least 1550m along strike and 450m vertical below surface, with possible potential for further extensions to the west and eastwards towards the Double Double Zone (950m east). A deep step-back hole at Latte West, CFD-164 drilled to 542.5m down hole depth, intersected a total of over 250 gram-metres (total grade x width) down hole to a maximum vertical depth below surface of 450m indicating that the Latte mineralized system persists strongly to depth. Key Results from 2011 included:

CFD-87	2.6 g/t Au over 31m (from 142m) and 1.1 g/t Au over 69m (from 184m)
CFD-96	2.2 g/t Au over 13m (from 75m) and 2.6 g/t Au over 14m (146m)
CFD-97	9.0 g/t Au over 3m (from 30m) and 15.5 g/t Au over 3m (from 218m)
CFD-115A	2.1 g/t Au over 59m (from 142m) and 1 g/t Au over 10.6m (from 211m)
CFD-119	12.0 g/t Au over 3m (from 184m) and 2.5 g/t Au over 31m (from 240m)
CFD-123	13.5 g/t Au over 5m (from 219m) and 2.2 g/t Au over 21m (from 234m)
CFD-85	1.6 g/t Au over 38m (from 133m)
CFD-91	8.6 g/t Au over 10m (from 40m)
CFD-92	7.8 g/t Au over 5m (from 75m)
CFD-99	1.9 g/t Au over 41m (from 138m)
CFD-103	3.9 g/t Au over 17m (from 166m)
CFD-113	8.5 g/t Au over 7m (from 84m)

CFD-114	6.4 g/t Au over 10m (from 246m)
CFD-127	2.3 g/t Au over 12m (from 122m)
CFD-131	1.8 g/t Au over 18m (from 208m)
CFD-140A	2.0 g/t Au over 19m (from 215m)
CFD-164	5.5 g/t Au over 14m (from 353m) and 5.5 g/t Au over 11m (from 433m) and 20.5 g/t Au over 3m (from 454m)

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.

The Double Double structure has been traced for at least 200m and remains open along trend and to depth. Key Results from 2011 included:

Drill hole CFD-90 yielded an ultra-high-grade intercept between 105m and 109m down-hole (refer to table 1 below). An original 30g fire assay of ½ cut core yielded a weighted average of **69.6 g/t Au over 4m** with individual assays yielding **105.5 g/t Au (105-106m), 106 g/t Au (106-107m), 62.7 g/t Au (107-108m) and 4.14 g/t Au (108-109m)**. In order to validate these results, an additional 1kg sample of this material was taken and screened through a 100 micron mesh and analyzed by fire assay. A third fire assay was completed by screening a 1kg sample obtained by re-cutting the remaining drill core stored on site (1/4 core sampling). Results of both screen assays yielded consistent and repeatable results averaging **74.9 g/t Au over 4m** with assays averaging **120.25 g/t Au (105-106m), 98.7 g/t Au (106-107m), 76.4 g/t Au (107-108m) and 4.24 g/t Au (108-109m)**. Coarse gold (> 100 micron) accounted for only 4-7% in all samples suggesting minimal nugget effect.

Results suggest gold is hosted in a number of near-vertical to steep north-dipping zones traceable within the broader regional magnetic lineament and gold-in-soil anomaly. These high-grade gold zones are typically meter-scale in width and are recognized mainly by increased levels of hydrothermal alteration. The most consistent and traceable structure defined to date is informally known as the "North Trend" and is noted on all cross-sections drilled. For example, drilling on section 5125E intercepted the North Trend in holes CFD-88 (**25.4 g/t Au over 2m**) and CFD-90 (**74.9 g/t Au over 4m**). Moreover, section 5275E cut the North Trend in hole CFD-93 (**8.23 g/t Au over 3m**) and hole CFD-98 **(4.32 g/t Au over 4m**) and section 5075E drilled through the North Trend in hole CFD-101 (**14.35 g/t Au over 2m**) and hole CFD-104 (**56.4 g/t Au over 1m**). Deeper drilling at Double Double uncovered several parallel zones to the North Trend, including the "Central Trend"; however, since the focus of the drilling was on defining the North Trend, little is known about these deeper zones. Collectively, these observations re-affirm the high-grade and continuous nature of gold within the Double Double zone and also illustrate the importance of tracing high-angle structural corridors.

Connector Zone

In addition, the initial Connector discovery was extended 100m northwards from the initial drill discovery made in 2010 (CFD-69: 5.5g/t over 11m from 133m depth) thereby confirming the north-south orientation and further highlighting the potential to link this zone with Supremo 900m to the north along strike. Significantly, a new parallel trending mineralized zone was intersected in drill holes CFD-149 (1.5 g/t over 17m and 10.1 g/t over 2m) and CFD-152 (11.1 g/t over 4m), which suggests the potential for the Connector system to host multiple stacked lenses of mineralization akin to the Supremo zones T1 to T7. Key Results from 2011 included:

CFD-149	1.8 g/t Au over 7m (from 70m)
	1.5 g/t Au over 17m (from 139m)
	10.1 g/t Au over 2m (from 166m)
CFD-152	11.1 g/t Au over 4m (from 103m)
	1.9 g/t Au over 8m (from 153m)

Americano Trend

The Americano area is underlain by granite and comprises two parallel northeast trending linear gold-in-soil trends totalling 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 the Americano “link” structure. This link structure is at least 700m long. A total of 10 widely-spaced holes were drilled at Americano in order to test for the presence of steeply-dipping gold-bearing brittle structures analogous to the nearby Kona gold zone.

Drilling in 2011 targeted Americano West, which lies approximately 2km west of the main Americano Trend, comprising previously undrilled gold-in-soil anomalies on ESE-WNW and N-S trends up to maximum tenor of 484ppb Au. Drilling assays are pending at the time of writing.

Kona & Espresso Trend

Kona represents an early stage prospect that occurs 5km west of the Latte-Supremo gold zones. The principal objective of the 2011 **Kona** drilling program was to follow-up on the initial drill discovery made in 2010 comprising intercepts of 2.2g/t Au over 57m and 1.9 g/t Au over 23m in diamond core hole CFD-53 (see news release October 12, 2010). Prior to commencement of drilling in 2011, a horizontal loop EM survey was undertaken over the main Kona gold-in-soil anomaly with results indicating an east-northeast trending bedrock structure coincident with the gold-in-soil trend. Subsequently, the 2011 drill program was designed to step-out along strike to the east and west of the initial 2010 drill discovery on north-south oriented traverses. Drilling successfully intersected steeply dipping east-northeast striking fracture/shear zones, which are co-incident with overlying gold-in-soil anomalies. Gold mineralization was intersected on every drill section over a 400m strike length and to >200m below surface. Multiple close-spaced parallel mineralized structures are present over the majority of the Kona zone tested to date. High-grade gold mineralization is interpreted as forming a near-surface high-grade plunging lode, which includes intercepts of up to 4.51g/t over 20m (CFD-53) and 5.16 g/t Au over 10.67m (CFR-56). Key Results from 2011 included:

CFR-56	5.2 g/t Au over 11m (from 66m)		CFR-63	2.3 g/t Au over 13m (from 4m)
CFR-59	1.4 g/t Au over 11m (from 17m)		CFR-64	1.3 g/t Au over 23m (from 30m)
CFR-60	4.5 g/t Au over 9m (from 40m)		CFR-67	1.7 g/t Au over 17m (from 29m)
CFR-61	2.1 g/t Au over 20m (from 66m)		CFR-74	2.5 g/t Au over 17m (from 140m)

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 in 2010 including CFD-70 that yielded **1.36 g/t Au over 8m**. Drilling at Kona highlighted that the two zones are likely contiguous along strike.

Hemlo Gold Project, Ontario

The Hemlo Property consists of claims in the Archean Hemlo Greenstone Belt of Ontario. The Hemlo gold camp represents one of the most prolific gold camps in Canada and has remained in continuous production since 1985. In the spring of 2007, the Company staked a 21,000 acre land position located directly north of the current Hemlo mine leases and patented claims owned by Teck Cominco Limited, Barrick Gold Corporation and Newmont Mining Corporation. The Company's exploration rationale at Hemlo is based on a structurally controlled "shear-zone model." The Company's technical team believes that there has been a lack of exploration directed towards shear zones models at Hemlo, thereby creating a new exploration opportunity in this district.

IME, Nunavut

The Company holds the non-diamond rights to Bluestone Resources Inc.'s (formerly Indicator Minerals Inc.- "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.

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

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.

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

Michigan Potash, Michigan

The Company holds a 100% interest in certain potash claims located in central Michigan.

On December 7, 2011, an option agreement was signed with Michigan Potash Inc. ("MPI") on the Company's potash assets located in central Michigan of the United States. MPI has the right to earn a 100% interest in the Company's potash leases by issuing the Company an aggregate of 6,000,000 common shares in MPI and granting the Company a Michigan state-wide 1% gross overriding royalty with respect to all mined products sold from any MPI property.

The Company's potash assets include subsurface mineral rights and surface rights to public and private potash leases within the Michigan Basin and a proprietary, regional potash database. The Company's technical team generated these solution-mine potash targets in-house and represent a world-class opportunity to explore for potash in the underexplored Michigan Basin, host to the producing Hersey Mine owned by The Mosaic Company (MOS: NYSE) ("Mosaic").

MPI is a private company intending to go public within 2012 and was specifically formed to explore and advance these potash assets.

Needle Gold Property, Nunavut

The Company owns 100% of the 5,000 acre Needle Lake Gold Property located in the North Slave region of Nunavut Territory. The property is 450 km northeast of the city of Yellowknife and strategically located near the proposed Bathurst Inlet Port and Road Project.

The property is host to a banded iron formation similar in geology to the past producing Lupin Gold Mine. The property contains more than a dozen, historical, untested gold occurrences greater than 10 g/t Au.

The Needle Lake Gold Property is subject to a 1% NSR in favour of the former shareholders of Pinnacle Resources (1996) Ltd.

Nizi/Cry Lake, 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.

Quebec Nickel Properties, Quebec

The Company owns and controls a 100% interest in a number of copper-nickel-platinum group element properties in the Grenville geological domain of Southern Quebec. These properties represent drill-ready opportunities for the discovery of high grade and near surface mineralization and are host to several untested priority targets. Breakwater Resources Ltd. maintains a 1% Net Smelter Royalty (“NSR”) on the properties.

Sail Property, British Columbia

The Company owns 100% of the 5,000 hectare Sail VMS property in the Cry Lake area of northwestern, BC. No exploration work has yet been completed on the Sail Property.

Sekwi Project, Northwest Territory

Two new claim blocks were staked in 2011. The T4 and T5 located in the Sekwi Range (Mackenzie Mountains) in central western NWT. The ground was staked to cover favourable coincident geological and geochemical anomalies. Initial reconnaissance mapping and sampling programs were completed in the 2011 exploration field season, with plans to conduct follow-up systematic exploration on the properties in 2012.

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 identified 14 potential dyke shaped bodies.

Kaminak will issue to GeoVector Management Inc. ("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 retains a 2% NSR on the property with 1% of this NSR purchasable at anytime by the Company for $500,000. The remaining 1% NSR can be purchased by the Company at anytime for $1,000,000.

Voigtberg Gold Project, British Columbia

By agreement dated July 11, 2006, the Company granted a third party, BCGold Corp. ("BCGold"), an option to acquire up to a 60% interest in the Voigtberg Gold Project, BC. Under the terms of the Option Agreement, BCGold has the right to initially earn a 60% interest by July 11, 2011 (originally July 11, 2010 – agreement extended by one year on September 11, 2009 with BCGold issuing 100,000 shares to the Company) by making exploration expenditures totaling $2,000,000 and staged payments totaling 400,000 units (received) to the Company. Each unit consists of one common share and one half of one common share purchase warrant with an exercise price set in accordance with market at the time of issuance of the unit. By July 11, 2011, BCGold had spent at least $1,000,000, earning a 50% interest. The Company and BCGold are to form a joint venture in accordance with their interests held. BCGold can earn an additional 10% interest in the property by completing a bankable feasibility study, for a total earn-in of 60%.

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

The 2,900 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 the Company 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. Initial reconnaissance mapping and sampling programs were completed in 2010 and 2011 exploration field seasons, with plans to conduct follow-up systematic exploration on the properties in 2012.

Risks and Uncertainties

Exploration Stage Company

The Company 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 the Company's properties will only follow upon obtaining satisfactory exploration results. There can be no assurance that the Company'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 ore body 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 the Company.

Mining Operations and Insurance

Mining operations generally involve a high degree of risk. The Company'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, political unrest and in the case of diamonds, theft of production. 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. The Company 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

The Company 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 the Company to acquire and explore other mineral interests. The Company 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 the Company 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 the Company, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various foreign federal, state 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 the Company will obtain on reasonable terms, or at all, he 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 the Company may undertake. Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to the Company'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. The Company 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. The Company's ability to acquire properties in the future will depend not only on its ability to develop is present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

Title to Property

Many of the Company's properties are held in the names of others. The Company has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that the Company 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 the Company'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 the Company may lose all or part of its interest in the properties to which such defects relate.

Environmental Risks and Hazards

All phases of the Company'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 the Company holds interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Commodity Prices

The price of the Company'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 the Company'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 the Company'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 the Company'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 and Lack of Active Market

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 the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. There is currently no market through which the securities of the Company can be sold and there can be no assurance that one will develop or be sustained. If an active market does not develop, the liquidity of the investment may be limited and the market price of such securities may decline below the subscription price under the Private Placement.

Key Executives

The Company 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 the Company 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 the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives. The directors and officers of the Company only devote part of their time to the affairs of the Company.

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

The Company 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 the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company 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 September 30, 2011, available on www.sedar.com .

Outstanding Share Data

KAM's authorized capital is unlimited common shares without par value. As at January 24, 2012, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at January 24, 2012	73,914,458		
Agents Warrants	84,955	$1.62	July 29, 2012
	200,556	$3.60	November 16, 2012
	210,864	$3.60	March 3, 2013
	286,260	$3.35	November 8, 2013
Employee Stock Options	70,000	$0.65	June 18, 2012
	245,000	$0.12	December 5, 2013
	440,000	$0.70	January 28, 2015
	520,000	$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
	200,000	$2.77	January 6, 2016
	170,000	$2.95	February 2, 2016
	1,205,000	$4.03	April 8, 2016
	20,000	$3.75	April 26, 2016
	275,000	$3.69	July 5, 2016
	60,000	$4.03	August 10, 2016
	150,000	$2.82	October 11, 2016
Fully Diluted at January 24, 2012	80,497,093		

Off Balance Sheet Arrangements

The Company does not utilize off balance sheet arrangements.

Transactions with Related Parties

Included in the year ended September 30, 2011 are consulting fees of $74,953 (2010 - $55,216), travel and conference charges of $3,300 (2010 - $46,950), office and sundry charges of $34,725 (2010 - $26,186), rent charges of $80,311 (2010 – $25,011), investor relations charges of $5,000 (2010 – $Nil), and resource property costs of $28,647 (2010 - $Nil) to a company controlled by directors of the Company.

During the year ended September 30, 2011 the Company incurred $279,030 (2010 - $193,310) in consulting fees and $49,300 (2010 – $35,450) in accounting fees to directors and officers.

At September 30, 2011, $58,491 (September 30, 2010 - $Nil) was due to Kivalliq, $41,342 (September 30, 2010 - $Nil) was due to a company controlled by directors and officers of the Company, and $4,928 (September 30, 2010 - $9,376) was due to directors and officers of the Company. These amounts are included in accounts payable and accrued liabilities.

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.

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.

Commitments

As disclosed in Note 11 of the audited financial statements for the year ended September 30, 2011, the Company has entered into agreements for the rental of office space that require minimum payments in the aggregate as follows:

Fiscal 2012	$ 74,507
Fiscal 2013	73,771
Fiscal 2014	73,771
Fiscal 2015	73,771
Fiscal 2016	43,033
Total Commitments	**$ 338,853**

Financial Instruments and Other Instruments

Categories of financial assets and liabilities

The fair value of the Company's interest and other receivables, HST recoverable 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 and cash equivalents, 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 interest and other receivables and HST recoverable. Management believes that the credit risk concentration with respect to financial instruments included in interest and other receivables and HST recoverable is remote as the balance primarily consists of interest from a major financial institution and HST recoverable from the Government of Canada.

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 September 30, 2011, the Company had a cash and cash equivalents balance of $10,974,259 (September 30, 2010 - $12,466,401) to settle current liabilities of $2,721,814 (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. Management believes that the Company has sufficient funds to meet its obligations as they become due.

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 September 30, 2011, the Company had $10,056,467 (September 30, 2010 - $10,052,426) invested in investment-grade short-term deposit certificates, included in short-term investments and cash and cash equivalents..

(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. The Company currently maintains investments in certain publicly listed companies. There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of the securities.

Critical Accounting Estimates

The Company's accounting policies are presented in note 2 of the accompanying 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 resource property costs;
- the useful lives for depreciation of equipment; and
- the valuation of stock-based compensation expense.

Resource property costs

The Company records its interest in resource 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 to operations.

Management of the Company reviews and evaluates the carrying value of each resource 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 resource 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, 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 February 2008 the Canadian Accounting Standards Board ("AcSB") announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's existing generally accepted accounting principles ("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, 2010 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:

- Stock-based compensation – 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.

- 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.

- Resource 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 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 is prepared to adopt IFRS effective October 1, 2011.

Approval

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

Additional Information

Additional information can be obtained by contacting:

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