OBAN MINING CORPORATION
(Formerly Braeval Mining Corporation)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2014 and 2013

*The following discussion and analysis is management's assessment of the results and financial condition of Oban Mining Corporation (formerly Braeval Mining Corporation), ("**Oban**" or the "**Corporation**") and it should be read in conjunction with the Corporation's audited consolidated financial statements for the years ended December 31, 2014 and 2013 and the notes thereto. The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and all dollar amounts are in Canadian dollars, unless otherwise noted. The date of this management's discussion and analysis (**"MD&A"**) is March 10, 2015. This MD&A and the related financial statements are available under the Corporation's issuer profile on SEDAR at www.sedar.com and on the Corporation's website at www.obanmining.com.*

*Certain scientific and technical information in this MD&A was derived from the technical report titled "NI 43-101 Technical Report for the Antamayo Copper Skarn Project, Department of Ancash, Peru" dated February 21st, 2014 and effective January 15th, 2014 (the "**Antamayo Technical Report**"), from the technical report titled "NI 43-101 Technical Report for the Marcahui Porphyry Copper Project, Province of Caraveli, Department of Arequipa, Peru" dated March 19th, 2014 and effective August 3rd, 2012 (the "**Marcahui Technical Report**"), and from the technical report titled "NI 43-101 Technical Report for the Huancavelica Lithocaps Project, Department of Huancavelica, Peru", dated January 31, 2013 and effective January 14, 2013 (the "**Lithocaps Technical Report**" and together with the Antamayo Technical Report and the Marcahui Technical Report, the "**Technical Reports**"). Each of the Technical Reports was prepared by Dr. Stewart D. Redwood, BSc (Hons), PhD, FIMMM, FGS, Consulting Geologist. The Technical Reports are available on SEDAR at www.sedar.com, and on the Corporation's website at www.obanmining.com.*

*Dr. Stewart D. Redwood, a "Qualified Person" within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**"), has reviewed and approved the technical information in this MD&A with respect to the Antamayo Copper Skarn Project, Peru (the "**Antamayo Project**"), the Marcahui Copper Project, Peru (the "**Marcahui Project**") and the Huancavelica Lithocaps Gold Project, Peru (the "**Lithocaps Project**"). Mr. Gernot Wober, B.Sc., P.Geol. Vice President - Exploration of the Corporation, a resident of Ontario and a Professional Geologist registered with the Professional Engineers and Geoscientists of British Columbia and a "Qualified Person" within the meaning of NI 43-101, has reviewed and approved the technical information in this MD&A with respect to properties other than the Antamayo Project, the Marcahui Project and the Lithocaps Project.*

Unless otherwise indicated herein, references to "$" are to Canadian dollars, and references to "USD$" are to United States dollars.

FORWARD-LOOKING INFORMATION

*This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation ("**forward-looking information**") which may include, but is not limited to, information with respect to the future financial or operating performance of the Corporation, the Corporation's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims and limitations of insurance coverage. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved.*

Forward-looking information is based on the opinions and estimates of management as of the date such information is given and is based on various assumptions such as but not limited to continued political stability in certain countries in which the Corporation operates, that permits required for the Corporation's operations will be obtained in a timely basis in order to permit the Corporation to proceed on schedule with its planned drilling programs, that skilled personnel and contractors will be available as the Corporation's operations continue to grow, that the price of gold will exceed levels that will render the project economical, or that the Corporation will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

UPDATES

On April 14, 2014, the Corporation completed its previously announced business combination (the "**Acquisition**") pursuant to a business combination agreement dated February 21, 2014 between the Corporation, Oban Exploration Limited ("**OEL**") and a wholly-owned subsidiary of the Corporation. The Acquisition was effected by way of a three-cornered amalgamation, whereby OEL amalgamated with a wholly owned subsidiary of the Corporation, resulting in the Corporation acquiring all of OEL's assets.

On May 2, 2014, the Corporation noted the announcement of Promesa Limited (ASX:PRA) ("**Promesa**") dated April 29, 2014, regarding the results of drill core interpretation which indicate the potential discovery of a copper mineralized body as well as certain additional drilling results at the Corporation's Magdalena property in northern Peru, referred to by Promesa as the Alumbre Project.

On May 7, 2014, the Corporation provided details of its 2014 exploration plans at the Antamayo Project (approx. 15,000 ha) in Ancash, Peru and on the other properties in Peru.

On August 5, 2014, the Corporation announced that Teck Peru S.A. ("**Teck**") has decided to terminate its option agreement (the "**Teck Agreement**") with respect to the Marcahui Project. Pursuant to the Teck Agreement, Teck had the option to acquire a 75% interest in the Marcahui Project by incurring an aggregate of USD$6,000,000 in exploration expenditures. Teck had completed their initial drilling campaign and advised the Corporation of its termination of the Teck Agreement. The Corporation has re-negotiated an extension of the remaining option payment on the property with the titleholder for one year, now due on Diciembre 31, 2015.

On October 21, 2014, the Corporation announced that it would take steps to formally terminate its option agreement with Mitsui Mining & Smelting Co. Ltd ("**Mitsui**") with respect to the Antamayo Project. The Corporation recognized a write off of $13,358,683 on the property in relation to this project after considering drill results in the quarter ended September 30, 2014.

On January 22, 2015, the Corporation announced that it will focus its exploration plan for the 2015 year in Canada and Peru. The Company has staked approximately 70,000 hectares ("ha") in the Urban Barry area of Quebec. Oban is currently working with historical data in order to help plan an initial exploration program for the area. The Corporation intends to begin systematic sampling and mapping in early spring followed by further work as warranted.

On February 23, 2015, the Corporation announced that it has entered into an agreement (the "Agreement") with Northstar Gold Corp. ("**Northstar**") to acquire up to a 70% interest on the Miller Gold Property just south of Kirkland Lake, Ontario (the "Property"). Under the terms of the Agreement, the Corporation can earn up to a 51% interest in the Property by subscribing for $300,000 in common shares of Northstar at $0.10 per share, and making payments and incurring expenditures of $3 million over three years. The Corporation can earn a further 9% interest by making payments and incurring expenditures equal to $2 million by the fifth anniversary, and a further 10% by the sixth anniversary for payments and expenditures equal to a further $3.3 million or, at the option of the Corporation, $2 million and a commitment to fund the Property through to completion of a pre-feasibility study.

1. DESCRIPTION OF BUSINESS

The Corporation was incorporated on February 26, 2010 under the *Business Corporations Act* (Ontario). The Corporation is primarily in the business of acquiring, exploring and developing mineral deposits in the Americas. It is currently exploring in Peru and Canada, and continues looking for new opportunities.

Acquisition of Oban Exploration Limited

On April 14, 2014 the Corporation completed the acquisition (the "**Acquisition**") of OEL, by way of a three-cornered amalgamation, whereby OEL amalgamated with a wholly owned subsidiary of the Corporation. In connection with the Acquisition, the Corporation amended its articles to consolidate the common shares of the Corporation (the "**Common Shares**") on the basis of one post-consolidation Common Share for every 3.14 pre-consolidation Common Shares and changed its name to "Oban Mining Corporation". The Common Shares commenced trading on the Toronto Stock Exchange ("**TSX**") on a consolidated basis under the new symbol "OBM" on April 22, 2014.

Under the terms of the Acquisition, the holders of the Common Shares of OEL received 0.914 of a Common Share (on a post-consolidation basis) for each Common Share of OEL so held, for an aggregate of 70,019,208 Common Shares. Upon completion of the Acquisition, including the consolidation, the Corporation had 99,881,561 Common Shares issued and outstanding on an undiluted basis, approximately 70% of which were held by former shareholders of OEL and approximately 30% of which were held by former shareholders of the Corporation immediately prior to the effective time of the Acquisition.

This transaction has been accounted for as an acquisition of assets and liabilities as neither the Corporation nor OEL meet the definition of a business under IFRS 3. The acquisition of the assets of OEL was recorded at the fair value of the assets acquired of $25,280,459, plus directly attributable transaction costs of $505,577. Additional transaction costs incurred by the Corporation in the amount of $160,373 were also incurred, which have been capitalized to the exploration and evaluation assets acquired from OEL.

The following table describes the estimated fair value of assets acquired and liabilities assumed as at the date of the Acquisition:

Net Assets Acquired		
Cash	$	4,904,270
Current Assets		79,387
VAT Receivable		1,148,186
Plant and Equipment		59,167
Exploration and Evaluation Assets		19,875,430
Current Liabilities		(280,404)
Total Net Assets acquired	**$**	**25,786,036**

Consideration		
Share Capital	$	25,280,459
Transaction Costs		505,577
Total Net Assets acquired	**$**	**25,786,036**

Prior to entering into the Business Combination Agreement, the Board of Directors and the Special Committee of the board of directors of the Corporation were provided with a formal valuation by Klein Farber Corporate Finance Inc., setting out the range of values representing the fair market value of the OEL common shares to be acquired by the Corporation.

Exploration Strategy

The Corporation's exploration strategy is focused on finding high-grade, low operational cost projects in the Americas. The Corporation's major projects are Marcahui and Arcopunco, both located within Northern Central Peru. In October 2014, the Corporation decided to terminate its option agreement with Mitsui in respect of the Antamayo Project (see *"Mineral Property Activities – Antamayo Project"*).

The Corporation is conducting an exploration program divided into four phases. The four phases are defined from the very beginning of the exploration process. The first phase ("**Phase I**") consists of identifying areas that comprise geological potential. The second phase ("**Phase II**") consists of systematic geochemical sampling and geophysics if necessary to define drilling targets. The third phase ("**Phase III**") includes the first drilling campaign in order to identify and quantify the extension of the deposit.

2. SUMMARY OF MINERAL PROPERTIES

The Corporation's various mineral properties acquired in connection with the Acquisition are located within Peru, and summarized below:

Continuing Exploration Properties *	**Mineral Resource**	**Location**	**Status**
Marcahui Project	Copper	Peru	Claims under option
Antamayo Project	Copper	Peru	Terminated
Arcopunco Project	Gold	Peru	Claims under option
Magdalena Project	Copper	Peru	Optioned out

Bermejo Project	Copper	Peru	Terminated
Chosicano Project	Copper/Gold	Peru	Terminated
Low Capital Cost Prospects	Copper/Gold	Peru	Owned 100%
Deep Skarn Prospects	Copper/Gold	Peru	Terminated
Catharine Fault Prospects	Gold	Canada	Claims under option
Urban Barry Prospects	Gold	Canada	Owned 100%
Lithocaps Prospects	Copper/Gold	Peru	Owned 100%

3. MINERAL PROPERTY ACTIVITIES

3.1 Marcahui Project

The Marcahui Project is a porphyry copper project located in Peru, 527km south of Lima, in the province of Arequipa, district of Quicacha. The project comprises an area of 1,200 hectares ("ha"), lies at low elevation and is close to infrastructure.

On October 15, 2013, the Corporation entered into an option agreement with Teck under which the optionee has the option to acquire 75% of the Corporation's interest in the Marcahui Project through a joint arrangement, by incurring an aggregate of USD$6,000,000 in exploration expenditures, including 10,000 meters ("m") of drilling, from which a minimum of USD$1,000,000, including 1,500 m of drilling, were to be incurred on or before August 31, 2014 and the remaining expenditures were to be incurred on or before August 31, 2017. During the year ended December 31, 2014, the optionee notified the Corporation of the termination of this option agreement; accordingly, the Corporation amended the agreement with the titleholder to extend the due date of the final USD$2,000,000 payment to December 31, 2015.

The Corporation is currently in the process of reviewing the previous drilling campaign completed by the optionee. Based on the results of the Corporation's review, the Corporation will plan the 2015 exploration campaign on the Marcahui Project.

The Corporation has filed a technical report on the Marcahui Project titled "NI 43-101 Technical Report for the Marcahui Porphyry Copper Project, Province of Caraveli, Department of Arequipa, Peru" dated August 3rd, 2012 and effective March 19th, 2014 which was prepared by Dr. Stewart D. Redwood, B.Sc. (Hons), PhD, FIMMM, FGS, in accordance with NI 43-101 requirements (the Marcahui Technical Report). The Marcahui Technical Report is available on SEDAR at www.sedar.com.

3.2 Antamayo Project

The Antamayo Project is an optioned property located in the province of Ancash in Central Peru.

The Corporation was required to make payments to the titleholder totaling USD$1,000,000 over three years for 70% interest, and an additional payment of USD$9,000,000 to earn the final 30% interest. The Corporation was required to incur a total of USD$3,000,000 of minimum exploration expenditures over the three year term of the agreement, which has been fulfilled as of December 31, 2014. The Corporation paid USD$50,000 upon signing the agreement, USD$100,000 in August 2012, and USD$250,000 in August 2013. If the Corporation decided not to earn the additional 30% interest after the cash payments and expenditures have been completed, a joint venture would have been formed with the Corporation as sole operator of the venture.

During the year, the Corporation completed the final drill campaign of nine holes totaling 6,475 m, which did not intersect significant copper mineralization (see Table 1).

HOLEID	FROM	TO	LENGTH (M)	% Cu
ANT-13-01	192.60	206.00	13.40	0.162
ANT-13-02	103.68	109.86	6.18	0.470
ANT-13-03	349.60	374.05	24.45	0.648
ANT-13-03	376.43	378.81	2.38	0.329
ANT-13-03	387.89	389.14	1.25	2.410
ANT-13-03	922.70	928.10	5.40	0.206
ANT-13-04	750.77	772.90	22.13	0.221
ANT-13-04	781.28	785.96	4.68	0.154
ANT-13-04	806.09	818.66	12.57	0.193
ANT-13-04	830.14	838.53	8.39	0.115
ANT-13-04	853.60	862.37	8.77	0.544
ANT-13-05	368.70	374.07	5.37	0.199
ANT-13-05	382.29	383.53	1.24	0.388
ANT-13-05	444.80	486.3	41.5	0.516
ANT-13-05	526.30	530.42	4.12	0.334
ANT-13-05	549.53	551.40	1.87	1.214
ANT-13-05	689.00	694.55	5.55	0.271
ANT-14-06	(no mineralization encountered)			
ANT-14-07	100.90	102.10	1.20	0.810
ANT-14-07	144.80	146.20	1.40	0.370
ANT-14-08	184.44	194.44	10.00	0.100
ANT-14-09	471.06	476.81	5.75	0.110
ANT-14-09	485.50	491.15	5.65	0.680
ANT-14-09	516.00	517.41	1.41	0.250
ANT-14-09	528.14	530.40	2.26	0.450
ANT-14-09	537.10	540.74	3.64	0.160
ANT-14-09	544.70	546.30	1.60	0.250

Table 1 – Antamayo best drill intercepts 2013 to 2014 from the nine holes totaling 6,475m.

The diamond drill program identified two wide zones of skarn alteration in two separate areas, thus verifying that the concept of a blind skarn deposit at depth was correct. However, the mineralization in the system encountered was not significant enough for the Corporation to justify further drilling or exploration.

On October 21, 2014 the Corporation announced that it would take steps to formally terminate its option agreement with Mitsui, the titleholder, with respect to the property. The Corporation recognized a write off of $13,358,683 on the property in relation to this project after considering drill results in the year ended December 31, 2014.

The Corporation is not required to make any further option payments in connection with the Antamayo property.

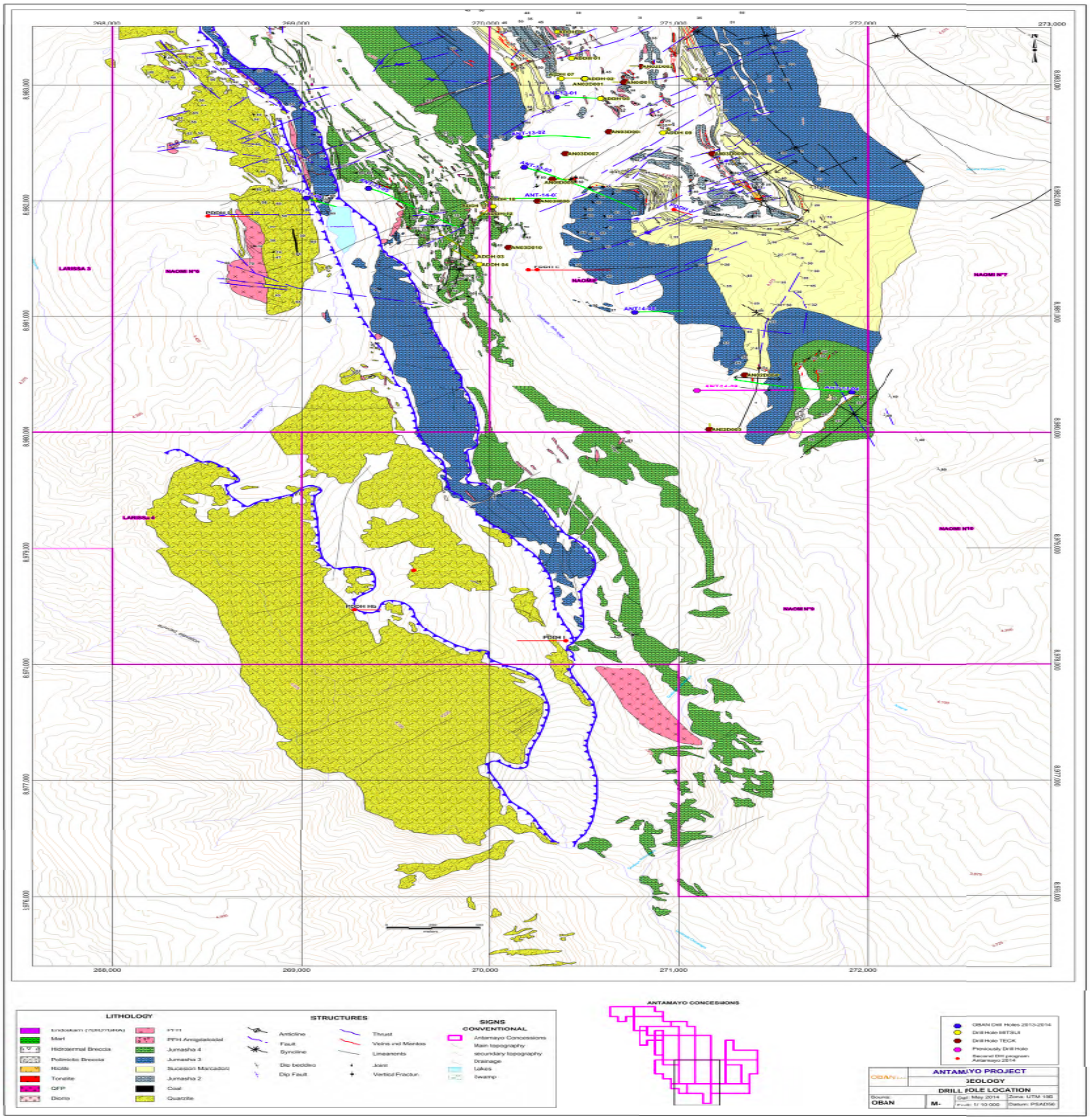

Figure 1 – Location of the latest drill hole collars.

The Corporation had filed a technical report on the Antamayo Project titled "NI 43-101 Technical Report for the Antamayo Copper Skarn Project, Department of Ancash, Peru" dated February 21st, 2014 and effective January 15th, 2014, which was prepared by Dr. Stewart D. Redwood, B.Sc. (Hons), PhD, FIMMM, FGS, in accordance with NI 43-101 requirements (the "**Antamayo Technical Report**"). The Antamayo Technical Report is available on SEDAR at www.sedar.com.

3.3 Arcopunco

Detailed mapping has been carried out in Arcopunco in order to better understand the system and to create a plan for future drilling. During the fourth quarter of 2013, the Impact of Declaration Assessment ("**DIA**") was obtained, permitting the Corporation to initiate drilling activities on the property. This permit was granted on July 1, 2013 and is for 11 drill platforms, which is valid for 18 months. The Corporation has submitted applications for the water use permits, which are required before drilling can commence; however, the Corporation has yet to formalize an agreement with the community. The agreement with the community has taken longer than expected and the Corporation does not foresee a resolution in the near future; however, the Corporation is continuing to make efforts towards a resolution so that it may commence further drilling.

The Corporation has completed its initial phase of detailed sampling and mapping on the project areas. The work identified a principal anomalous area of over 6 square kilometers ("km"), consisting of hydrothermal alteration and associated gold anomalies. During the year ended December 31, 2014, the option payment for USD$100,000 was made as well as additional costs relating to obtaining consent from the community for the water use permits. On August 16, 2013, the Corporation extended the terms of the last option payment of USD$2,000,000 to USD$1,000,000 due on the third anniversary date upon signing and USD$1,000,000 due on the fourth anniversary date upon signing. On February 3, 2015, a new addendum was signed to modify further the option payments now being USD$1,200,000 due on February 22, 2016 and USD$1,000,000 due on February 22, 2017. This will allow the Corporation to continue to work on obtaining the water rights permits in order to commence drilling.

The Corporation has filed a technical report on the Arcopunco, Retazos and Terciopelo projects (Huancavelica Lithocaps Projects) titled "NI 43-101 Technical Report for the Huancavelica Lithocaps Project, Department of Huancavelica, Peru" dated January 31, 2013 and effective January 14, 2013 which was prepared by Dr. Stewart D. Redwood, B.Sc. (Hons), PhD, FIMMM, FGS, in accordance with NI 43-101 requirements (the "**Lithocaps Technical Report**"). The Lithocaps Technical Report is available on SEDAR at www.sedar.com.

3.4 Magdalena

On October 31, 2011, the Corporation entered into an option agreement on the Claudias title with a titleholder to earn an undivided 100% interest in the Claudias title located in Peru. In order to complete the acquisition, Oban was required to make payments to the titleholder totaling USD$605,000 over three years in order to earn the 100% interest. Oban was also required to incur a total of $75,000 of exploration expenditures by the second anniversary date after signing which had been completed at the end of the first year. The Corporation paid USD$5,000 on signing the agreement and USD$45,000 on April 30, 2012.

On October 5, 2012, Oban signed an option agreement with Peru Minerals SAC, a Peruvian subsidiary of Promesa, an Australian entity, under which Oban optioned out the rights and obligations on the Magdalena property, located 450 km north of Lima, Peru, only 30 km from the coast, including payments due to the titleholder. The optionee is committed to fulfill the remaining USD$520,000 payments due over the three year period and is required to pay Oban a total of USD$218,000 (USD$100,000 in 2015 and USD$118,000 in 2016) and by completing a geophysical study by November 2014. If during this time Promesa decides to terminate the option agreement with the Claudias titleholder, the remaining payment of USD$295,000 would become payable to Oban upon termination. In addition, upon execution of the agreement, the parties will incorporate a new company in which Oban will hold a 30% interest while the Peruvian subsidiary will hold the remaining 70% interest. The Corporation also staked 27,300 ha, which has become part of the Magdalena Project. This was included as part of the agreement that was signed with Promesa on October 5, 2012. During the year ended December 31, 2013, Oban received a reimbursement of tenement fees capitalized in the previous year in the amount of USD$77,100, which resulted in a decrease in the value of the asset net of other additions of $39,876.

Promesa issued an announcement dated April 29, 2014, regarding the results of drill core interpretation which indicate the potential discovery of a copper mineralized body as well as certain additional drilling results at the Magdalena property, referred to by Promesa as the Alumbre Project. The highlights provided in the Promesa press release include the following:

- Drill core interpretation indicates discovery of large copper mineralized body.
- Drill hole ALDD14004 was completed at 401 m and intersected chalcopyrite mineralization over a 340 m interval in a potassic alteration zone.
- Classic porphyry "A" and "B" type veining in evidence hosting chalcopyrite, molybdenite and bornite, with significant secondary biotite occurring throughout extensive mineralized intervals.

In noting the update provided by Promesa in their press release, the Corporation was not provided with independent information in relation to the matters described herein and is relying entirely on the disclosure given in the Promesa press release and is not supplementing such disclosure.

On July 11, 2014, the Corporation and the optionee terminated the option agreement with the titleholder with regards to the Claudias concession. As a result, the commitment for the final payment of USD$295,000 will be transferred directly to the Corporation, however as at December 31, 2014, the Corporation had yet to receive the funds. On December 2nd, 2014, Peru Minerals completed the second option payment of USD$55,900, which resulted in a decrease in the value of the asset net of $65,008 as of December 31, 2014.

3.5 Bermejo

The 2,900 ha property is located in the province of Ancash, Peru around 230 km north of Lima along the Panamericana highway near the coast. The property is a volcanic and volcaniclastic sequence of the Casma Group (Cretacious age) and is known for hosting volcanogenic massive sulfides ("VMS") or iron oxide copper gold ("IOCG") type deposits such as: Condestable, Raul, Maria Teresa and Cerro Lindo. During the quarter ended December 31, 2014, the Corporation decided not to continue with the project and therefore recognized a write-off of $41,958.

3.6 Chosicano

The 2 km x 1.5 km Chosicano property lies immediately west of the northern extremity of the Cordillera Blanca Batholith, from which it is separated by the regional-scale Cordillera Blanca fault, a west-dipping, listric normal structure that accommodated up to 10 km of vertical displacement during batholith uplift. Hence, the prospect area is in the relatively shallow eroded hanging wall of the fault.

The Corporation paid USD$70,000 on June 14, 2011, when signing the agreement, USD$90,000 during 2012 and USD$234,000 during 2013. Additional payments of USD$150,000 on June 15, 2014, USD$220,000 on December 15, 2014, USD$430,000 on June 15, 2015 and USD$1,050,000 on December 15, 2015 were also required. The agreement was also subject to a 1% NSR upon commercial production.

During the year ended December 31, 2014, the Corporation decided to not to continue with the project in order to preserve the cash requirements to use on the Antamayo Property drilling campaign and therefore recognized a write-off of $950,367.

3.7 Catharine Fault

On November 28, 2014 the Corporation signed a letter of agreement with a non-related titleholder to acquire the undivided 100% interest of the Cote property, located in northern Ontario. The final option agreement was executed on December 23, 2014, with an option payment of $60,000 being paid on signing. Additional option payments of $75,000 are due upon the first anniversary date after signing, $85,000 on the second anniversary date after signing, $100,000 on the third anniversary date after signing and $140,000 upon the fourth anniversary date after signing. Under the agreement, if the Corporation makes each of the option payments and exercises the option, it will acquire an undivided 100% interest in the property, subject to a 2% net smelter return royalty ("NSR") in favour of the current titleholder, which can be purchased for $1,000,000 per 1%.

3.8 Urban Barry

During the year ended December 31, 2014, the Corporation staked 1,254 claims in the Urban Barry area of Quebec. The exploration expenditures spent on the property were for the cost of staking the land. In order to maintain the claims, the Corporation is required to spend $1,504,800 within the next two years from the date of staking.

3.9 Low Capital Cost Prospects

As described above, one of the Corporation's strategies is to focus on projects that involve a low amount of cash investment (Low CapEx strategy). This strategy targets projects that are close to infrastructure (i.e. highways, ports, source of electricity and water) similar to the Bermejo Property. During the year ended December 31, 2014, the Corporation completed an exploration program and concluded not to pursue various claims in the coastal region, therefore recognizing a write-off of $271,102. During the generative program, the Corporation has advanced two of the properties into Phase 2, for which a follow up visit is planned for the early spring.

3.10 Deep Skarn Prospects

The second major strategy of the Corporation is to focus on concealed deep targets in areas where the levels of erosion are minimal. In the case of Peru, the program is focused on the eastern side of Cu-Mo-Au Porphyry and Pb-Zn-Cu Skarn belts (Metalogenetic Belt, Ingemet - 2010) in relationship with Miocene intrusions. This belt is composed of three magmatic events related with the mineralization 22-20 Ma, 18-13 Ma and 10-5 Ma. Antamina (9.8 Ma 745 Mt @1.06% Cu, 0.67% Zn, 11.7 g/t Ag, 0.026% Mo) is the best representative of the area. During the year ended December 31, 2014, the Corporation completed an exploration program and concluded not to pursue various claims in the region, therefore recognizing a write-off of $91,478.

3.11 Lithocaps Prospects

The Corporation has also staked 16,582 hectares of tenements in the central part of Peru, as part of the Lithocaps Prospects program. The Corporation's focus is to look for large porphyry type deposits that exist at depth. The Corporation discovered a gold anomaly 600m by 200m in the potassic altered diorties on one of the Lithocaps Prospects named Ninfa. A follow up visit is planned for the early spring.

During the year ended December 31, 2014, the Corporation completed an exploration program and concluded not to pursue various claims in the region, therefore recognizing a write-off of $52,701.

4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES AND COMMITMENTS

4.1 Exploration and Evaluation Assets Expenditures

The Corporation's expenditures on exploration and evaluation assets for the year ended December 31, 2014 were as follows (in Canadian dollars):

	December 31, 2013	Acquisition of Oban Exploration Ltd. exploration and evaluation assets	Additions / (recoveries) in the year	Write offs in the year	December 31, 2014
Peru properties					
Arcopunco	$ 196,880	$ -	$ 133,277	$ -	$ 330,157
Antamayo	-	11,803,165	1,555,518	(13,358,683)	-
Marcahui	-	6,412,333	51,600	-	6,463,933
Magdalena	-	289,183	(65,008)	-	224,175
Bermejo	-	41,958	-	(41,958)	-
Chosicano	-	950,367	-	(950,367)	-
Canadian prospects					
Catharine Fault	-	-	98,420	-	98,420
Urban Barry	-	-	123,611	-	123,611
Generative properties					
Peru - Lithocaps	-	115,678	36,700	(52,701)	99,677
Peru - Low Capex	-	171,268	214,185	(271,102)	114,351
Peru - Deep Target	-	91,478	-	(91,478)	-
Total exploration and evaluation assets	$ 196,880	$ 19,875,430	$ 2,148,303	$ (14,766,289)	$ 7,454,324

As a result of the acquisition of OEL, a total of $8,355,119 and $4,699,755 were added to the book value of the Antamayo and Marcahui properties, respectively, to reflect the fair value determined by the independent valuator as well as a portion of the costs directly attributable to this transaction. Antamayo has been subsequently written off due to poor drill results, as discussed elsewhere in this MD&A. See *"Mineral Property Activities – Antamayo Project"*.

Significant additions during the year ended December 31, 2014 are described by category in the following table:

As of December 31, 2014	Arcopunco	Antamayo	Other Prospects Canada	Other Projects Peru	Generative properties	Total
Property Acquisition	$ 106,331	$ 1,643	$ 60,000	$ 1,320	$ 402	$ 169,696
Geochemical and Geophysical Survey	-	117,020	58,771	2,989	-	178,780
Geological Reconnaissance	-	97,514	-	-	124,561	222,075
Drilling	-	559,708	-	-	548	560,256
Reporting and GIS	3,495	82,344	4,283	1,668	15,205	106,993
Administration	16,255	143,647	-	4,495	10,814	175,211
Supplies, Sustenance and Transportation	2,277	165,766	3,975	12,659	30,703	215,379
Tenement Fees	1,894	14,145	95,003	230	23,284	134,556
Assays	-	39,022	-	-	45,367	84,389
Community Relations and Security Costs	3,026	124,452	-	564	-	128,042
Environmental	-	210,258	-	27,676	-	237,934
Option payment received	-	-	-	(65,008)	-	(65,008)
Total additions	**$ 133,277**	**$ 1,555,518**	**$ 222,031**	**$ (13,408)**	**$ 250,885**	**$ 2,148,303**

During the year ended December 31, 2014 most of the Corporation's exploration expenses were incurred on the Antamayo Property as the Corporation completed its final drill program of 6,475m. The generative properties spending is related to a Phase 2 exploration program, which was completed at the end of the year. During the year, the Corporation staked land in the Urban Barry area of Quebec as well began consolidating land through option agreements in Northern Ontario. The Corporation expects to begin its exploration program in Canada in early spring, subject to weather conditions.

4.2 Option Payments and Acquisition Costs for Exploration and Evaluation Assets Claims

The following is a summary of the committed option payments and acquisition costs to be made as of December 31, 2014 in respect of the Corporation's exploration and evaluation assets:

(In USD$)	Total	2015	2016	2017	2018	2019
Arcopunco Project*	$ 5,200,000	$ -	$ 1,200,000	$ 4,000,000	$ -	$ -
Marcahui Project**	$ 2,000,000	$ 2,000,000	$ -	$ -	$ -	$ -
Total in USD	**$ 7,200,000**	**$2,000,000**	**$1,200,000**	**$4,000,000**	**$ -**	**$ -**

** Arcopunco Project due date of the 2015 option payment was extended for one year.*
*** Marcahui Project due date of the 2015 option payment was extended to the end of 2015.*

(In CAD$)	Total	2015	2016	2017	2018	2019
Catharine Fault Prospect*	$ 400,000	$ 75,000	$ 85,000	$ 100,000	$ 140,000	$ -
Urban Barry Prospect	$ 1,504,800	$ -	$ 1,504,800	$ -	$ -	$ -
Total in CAD	**$ 1,904,800**	**$ 75,000**	**$1,589,800**	**$ 100,000**	**$ 140,000**	**$ -**

** Quebec Prospects minimum exploration commitment of $1,200 per claim (1,254) to be made within two years from the date of grant*

5. OUTLOOK

The Corporation is reviewing the drilling campaign completed by Teck on the Marcahui Property and, if positive, the Corporation will continue with the exploration program as defined in the Marcahui Technical Report.

A budget of $2.7 million has been assigned to Peru for 2015 to complete the Phase 2 generative program on the remaining prospects. Further, a budget of $1.37 million has been assigned to the prospects in Ontario and Quebec for 2015. The Corporation is continuing to look for opportunities in the Americas, while striving to maintain a strong financial position.

6. RESULTS OF CONTINUING OPERATIONS

The following table summarizes the Corporation's Consolidated Statement of Operations for the years ended December 31, 2014 and 2013:

	Quarter ended		Year ended	
For the period ended,	**December 31, 2014**	December 31, 2013	**December 31, 2014**	December 31, 2013
Compensation expense				
Stock-based compensation	**$ 144,646**	$ 122,746	**$ 942,005**	$ 794,974
Compensation expense	**245,574**	47,936	**1,024,070**	405,133
Total compensation expenses	**390,220**	170,682	**1,966,075**	1,200,107
General and administration				
Shareholder and regulatory expense	**14,459**	7,466	**56,229**	56,874
Administrative services/(recovery)	**-**	(72,500)	**40,020**	29,114
Travel expense	**47,282**	830	**181,889**	130,400
Professional fees/(recovery)	**154,850**	(80,038)	**545,175**	374,271
Office expense	**108,566**	300,959	**307,785**	488,391
Total general and administration expenses	**325,157**	156,717	**1,131,098**	1,079,050
General exploration				
Latin America	**(24,292)**	21,522	**43,591**	52,158
North America	**47,801**	-	**82,857**	-
Other Jurisdictions	**-**	-	**23,800**	-
Total exploration expenses	**23,509**	21,522	**150,248**	52,158
VAT Receivable written-off	**25,960**	-	**1,320,135**	-
Exploration and evaluation assets written-off	**298,527**	1,499,856	**14,766,289**	1,499,856
Unrealized loss on marketable securities	**3,700**	-	**14,200**	-
Foreign currency exchange				
Realized foreign currency exchange (gain)/loss	**(7)**	(54,222)	**173,642**	(51,498)
Unrealized foreign exchange (gain)/loss	**16,484**	(3,352)	**(87,050)**	(5,875)
Total foreign exchange (gain)/loss	**16,477**	**(57,574)**	**86,592**	(57,373)
Finance income	**(25,813)**	(26,965)	**(106,747)**	(107,176)
Finance costs	**196**	2,865	**8,643**	13,773
Net finance income from continuing operations	**(25,617)**	(24,100)	**(98,104)**	(93,403)
Loss for the period from continuing operations	**1,057,933**	1,767,103	**19,336,533**	3,680,395
(Gain)/loss for the period from discontinued operations	**-**	(678,155)	**-**	5,734,755
Total loss for the period	**1,057,933**	1,088,948	**19,336,533**	9,415,150
Other comprehensive loss/(income)				
Items that may be reclassified subsequently to profit and loss	**123,635**	(235,474)	**3,938**	(370,048)
Comprehensive loss/(income) for the period	**123,635**	(235,474)	**3,938**	(370,048)
Total comprehensive loss	**$ 1,181,568**	$ 853,474	**$ 19,340,471**	$ 9,045,102
Basic and diluted (gain)/loss per share				
From continuing operations	**$ 0.01**	$ 0.06	**$ 0.25**	$ 0.12
From discontinued operations	**0.00**	(0.02)	**0.00**	0.19
Total loss per share	**$ 0.01**	$ 0.04	**$ 0.25**	$ 0.31
Basic and diluted weighted average number of shares	**99,881,561**	29,862,353	**78,588,048**	29,862,353

6.1 YEAR ENDED DECEMBER 31, 2014 AS COMPARED TO YEAR ENDED DECEMBER 31, 2013

Loss from continuing operations for the year ended December 31, 2014 increased to $19,336,533 from $3,680,395 resulting in a $15,656,138 variance due to the write-off of exploration and evaluation assets in the amount of $14,766,289 as well as $1,320,135 of VAT recoverable associated with the Antamayo project. There has been an increase in the rest of the expenses compared to December 31, 2013 due to the acquisition of OEL that was completed on April 14, 2014 in addition, expenses were lower due to $1,086,594 of insurance proceeds in the year ended December 31, 2013, due to business interruption.

Stock-based compensation expense increased in the year ended December 31, 2014 by $147,031 to $942,005, compared with $794,974 in the prior year, due to a higher stock-option expense in the period as a result of issuing 7,040,000 stock options in connection with the acquisition of OEL.

Compensation expense increased in the year ended December 31, 2014, by $618,937 to $1,024,070, compared with $405,133 in the prior year ended December 31, 2013, due to higher compensation relating to the acquisition of OEL that was completed on April 14, 2014 and a severance accrual related to the layoff of staff in Peru due to downsizing. Offsetting these additional expenses in the year ended December 31, 2013, insurance proceeds of $426,516 related to business disruption were recorded.

Administrative services increased for the year ended December 31, 2014 to $40,020 from $29,114 as compared to the same period in 2013, due to higher admin costs relating to the acquisition of OEL that was completed on April 14, 2014 and lower costs due to insurance proceeds of $175,000 related to business disruption received in the prior period.

Travel expense increased for the year ended December 31, 2014 to $181,889 from $130,400 as compared to the same period in 2013. The increase was a result of insurance proceeds of $113,029 related to business disruption received in the prior period. However, net of prior year insurance proceeds, the travel expense decreased from prior period as a result of less frequent travel due to the closing of the office in Colombia, Nicaragua and Honduras.

Professional fees increased for the year ended December 31, 2014 by $170,904, to $545,175, compared with $374,271 for the same period in 2013, due to insurance proceeds of $330,276 received in the prior year related to the security incident that took place early in 2013.

Office expense decreased for the year ended December 31, 2014 by $180,606, to $307,785, compared with $488,391 for the same period in 2013, due to a reduction in office rent due to the Corporation sharing this expense with three non-related parties since October 2013; as well as the closures of the offices in Colombia, Nicaragua and Honduras in late 2013, in addition to the $41,772 insurance proceeds obtained in the prior year due to business disruption. Management is expecting to decrease office expense in the upcoming quarters as management is continuing with cost cutting efforts in order to sustain the Corporation's capital in the current market.

General exploration increased by $98,090 during the year ended December 31, 2014, compared with $52,158 for the same period in 2013, due to new exploration prospects in areas for which the right to explore is yet to be obtained.

During the year ended December 31, 2014 a $14,766,289 write-off was recorded, which mainly relates to the Antamayo project, as described in section 4.1.

An unrealized loss of $14,200 was recognized during the year ended December 31, 2014, compared with $Nil for the same period in 2013, as a result of revaluation of the shares obtained by the Corporation in November 2013 and November 2014.

6.2 THREE-MONTH PERIOD ENDED DECEMBER 31, 2014 AS COMPARED TO THREE-MONTH PERIOD ENDED DECEMBER 31, 2013

Loss from continuing operations for the period decreased to $1,057,933 from $1,767,103 resulting in a $709,170 variance due to a lower write-off of exploration and evaluation assets recognized in the fourth quarter of 2014 when compared to the same period of 2013, net of an increase in compensation expenses and general and administration expenses, as discussed below.

Stock-based compensation expense increased by $21,900 in the period ended December 31, 2014 to $144,646, compared with $122,746 in the period ended December 31, 2013 due to 7,040,000 options being issued in connection with the acquisition of OEL.

Compensation expense increased in the period ended December 31, 2014, by $197,638 to $245,574, compared with $47,936 expense in the period ended December 31, 2013, due to insurance proceeds of $155,351 in the prior year related to business disruption.

Administrative services for the period ended December 31, 2014 were $Nil whereas the Corporation had a $(72,500) recovery in the same period in 2013, due to the recovery of insurance proceeds of $87,500 related to business disruption.

Travel expense increased for the period ended December 31, 2014 to $47,282 from $830 as compared to the same period in 2013. The increase was a result of insurance proceeds of $48,344 related to business disruption in the prior period.

Professional fees increased for the period ended December 31, 2014 by $234,888, to $154,850, compared with $(80,038) recovery for the same period in 2013, due to insurance proceeds of $245,243 received in the prior period, net of higher legal fees related to the security incident that took place early in 2013. Legal fees were also higher due to the closing of the Antamayo Property and the Peruvian office in the fourth quarter of 2014.

Office expense decreased for the period ended December 31, 2014 by $192,393, to $108,566, compared with $300,959 for the same period in 2013, due to a reduction in office rent due to the Corporation sharing this expense with three non-related parties since October 2013 as well as the closures of the offices in Colombia, Nicaragua and Honduras in late 2013. Management is expecting this to further decrease this expense in the upcoming quarters as management is continuing with cost cutting efforts in order to sustain the Corporation's capital in the current market. In the period ended December 31, 2013, insurance proceeds of $3,725 were received related to business disruption.

General exploration expenses slightly increased by $1,987 during the period ended December 31, 2014, compared with $21,522 for the same period in 2013, due to new exploration prospects in areas for which the right to explore is yet to be obtained. During the fourth quarter of 2014, a reclassification of exploration expenses was made in Peru, which resulted in a $24,292 credit balance. The Corporation is continuing to search for new opportunities in a distressed market.

During the period ended December 31, 2014, a write-off of $298,527 was recorded due to the termination of the Bermejo project, as well as some of the generative projects in Peru, as described in section 4.1.

An unrealized loss of $3,700 was recognized during the period ended December 31, 2014, compared with $Nil for the same period in 2013, as a result of revaluation of the shares obtained by the Corporation.

Net finance income during the period ended December 31, 2014 slightly increased by $1,517, to $25,617, compared with $24,100 in the period ended December 31, 2013, due to lower costs incurred during the fourth quarter of 2014.

6.3 CASH FLOWS

The Corporation is dependent upon raising funds in order to fund future exploration programs. See "Liquidity and Capital Resources" and "Risks and Uncertainties".

Operating Activities

Cash used in operating activities from continuing operations for the year ended December 31, 2014 totalled $2,287,498 compared to $1,569,816 used in the same period during 2013. The increased outflows were primarily attributable to exploration expenses, compensation expense, professional fees, and travel expense as discussed in section 6.2 above.

Financing Activities

Cash provided by financing activities was $Nil during the year ended December 31, 2014, whereas proceeds from collection of the $660,660 escrowed receivable from the Corporation's initial public offering, which closed on December 20, 2012, was received in the prior year.

Investing Activities

Cash provided by investing activities from continuing operations for the year ended December 31, 2014 totalled $2,263,617 compared to $(626,313) used in the same period in 2013. The increase was mainly due to the cash received from the acquisition of OEL in an amount equal to $4,398,693, net of direct attributable transaction costs incurred, as well as outflows related to additions to exploration and evaluation assets associated with the drilling activity completed mostly in Peru during the period.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing expenses for at least twelve months. The Corporation will continue to be dependent on raising equity or other capital as required unless and until it reaches the production stage and generates cash flow from operations. See *"Forward-Looking Information"* and *"Risks and Uncertainties"*.

7. RESULTS OF DISCONTINUED OPERATIONS

Due to the Corporation's decision to terminate its activities in Colombia, Nicaragua and Honduras, and the subsequent wind up; the relevant subsidiaries were classified during 2013 as discontinued operations. Accordingly, the following table summarizes the results of discontinued operations for years ended December 31, 2014 and 2013. There were no expenditures related to discontinued operations during the year ended December 31, 2014:

For the year ended	**December 31, 2014**	December 31, 2013
Colombia		
Compensation expense	**$ -**	$ 215,808
General administrative expense	**-**	677,839
General exploration expense	**-**	127,507
Exploration and evaluation assets writen-off	**-**	4,337,342
Foreign currency exchange loss	**-**	22,826
Finance costs	**-**	15,892
Loss from Colombian operations	-	5,397,214
Honduras and Nicaragua		
General administrative expense	**-**	115,088
General exploration expense	**-**	55,036
Exploration and evaluation assets writen-off	**-**	165,215
Foreign currency exchange loss	**-**	1,395
Finance costs	**-**	807
Loss from Honduras and Nicaragua	-	337,541
Total loss from discontinued operations	$ -	$ 5,734,755

8. SELECTED ANNUAL FINANCIAL INFORMATION

year ended	**December 31, 2014**	**December 31, 2013**	**December 31, 2012**
Financial Results:			
Interest income	**$ (106,747)**	$ (107,176)	$ (77,115)
Loss from continuing operations	**$ 19,336,533**	$ 3,680,395	$ 3,605,463
Loss from discontinued operations	**$ -**	$ 5,734,755	$ 1,824,579
Loss per share* - basic and diluted			
From continuing operations	**$ 0.25**	$ 0.12	$ 0.15
From discontinued operations	**$ 0.00**	$ 0.19	$ 0.08
Financial Position:			
Working Capital (non-IFRS measurement)	**$ 10,681,654**	$ 10,991,897	$ 13,554,699
Exploration and evaluation assets	**$ 7,454,324**	$ 196,880	$ 5,774,563
Total Assets	**$ 18,818,405**	$ 11,751,248	$ 20,344,718
Share Capital	**$ 52,139,580**	$ 26,859,121	$ 26,859,121
Deficit	**$ (37,506,099)**	$ (18,169,566)	$ (8,754,416)
Number of shares issued and outstanding	**99,881,561**	29,862,353	29,862,353

** Basic and diluted loss per share is calculated based on the weighted-average number of Common Shares outstanding. The number of shares issued and outstanding accounts for the 3.14-to-one consolidation made in connection with the acquisition of OEL, applied retrospectively for all the periods disclosed in the table. The conversion of stock options is not included in the calculation of the diluted loss per share because the conversion would be anti-dilutive.*

Loss from continuing operations and deficit have increased over the past three years due to the write off of exploration expenses along with general and administrative expenses and compensation expenses associated with the set up of the offices, listing on the TSX, and increase in overall activity. Exploration and evaluation of assets has increased since 2012 due to the capitalization of exploration expenditures, particularly from the Marcahui project. Working capital has fluctuated as a result of financings obtained by the Corporation through private placements and the initial public offering that closed on December 20, 2012, and funds obtained from OEL, which are aligned with the variance in total assets, as the Corporation does not hold any third party debt nor non- current liabilities.

9. SUMMARY OF QUARTERLY RESULTS

For the period ended	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Financial Results:				
Interest income	$ (25,813)	$ (27,399)	$ (27,352)	$ (26,183)
Loss from continuing operations	$ 1,057,933	$ 15,484,966	$ 2,317,523	$ 476,111
Loss/(income) from discontinued operations	$ -	$ -	$ -	$ -
Loss/(earnings) per share* - basic and diluted				
From continuing operations	$ 0.01	$ 0.16	$ 0.03	$ 0.02
From discontinued operations	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Financial Position:				
Working Capital (non-IFRS measurement)	$ 10,681,654	$ 11,799,951	$ 13,657,328	$ 10,575,380
Exploration and evaluation assets	$ 7,454,324	$ 7,376,114	$ 19,617,097	$ 328,184
Total Assets	$ 18,818,405	$ 19,980,379	$ 34,983,445	$ 11,482,825
Share Capital	$ 52,139,580	$ 52,139,580	$ 52,139,580	$ 26,859,121
Deficit	$ (37,506,099)	$ (36,448,166)	$ (20,963,200)	$ (18,645,677)
Number of shares issued and outstanding	99,881,561	99,881,561	99,881,561	29,862,353

** Basic and diluted loss per share is calculated based on the weighted-average number of Common Shares outstanding. The number of shares issued and outstanding accounts for the 3.14-to-one consolidation made in connection with the acquisition of OEL, applied retrospectively for all the periods disclosed in the table. The conversion of stock options is not included in the calculation of the diluted loss per share because the conversion would be anti-dilutive.*

For the period ended	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Financial Results:				
Interest Income	$ (26,975)	$ (24,853)	$ (25,733)	$ (29,615)
Loss from continuing operations	$ 1,767,103	$ 177,951	$ 750,796	$ 984,545
Loss from discontinued operations	$ (678,155)	$ (194,937)	$ 6,288,038	$ 319,810
Loss per share* - basic and diluted				
From continuing operations	$ 0.06	$ 0.01	$ 0.03	$ 0.03
From discontinued operations	$ (0.02)	$ (0.01)	$ 0.21	$ 0.01
Financial Position:				
Working Capital (non-IFRS measurement)	$ 10,991,897	$ 10,574,687	$ 10,591,608	$ 11,960,733
Exploration and evaluation assets	$ 196,880	$ 1,180,946	$ 1,261,548	$ 6,472,496
Total Assets	$ 11,751,248	$ 12,579,792	$ 12,591,905	$ 19,297,652
Share Capital	$ 26,859,121	$ 26,859,121	$ 26,859,121	$ 26,859,121
Deficit	$ (18,169,566)	$ (17,080,618)	$ (17,097,604)	$ (10,058,771)
Number of shares issued and outstanding	29,862,353	29,862,353	29,862,353	29,862,353

** Basic and diluted loss per share is calculated based on the weighted-average number of Common Shares outstanding. The number of shares issued and outstanding accounts for the 3.14-to-one consolidation made in connection with the acquisition of OEL, applied* *retrospectively for all the periods disclosed in the table. The conversion of stock options is not included in the calculation of the diluted loss per share because the conversion would be anti-dilutive.*

The loss from continuing operations in the three month period ended December 31, 2014 was mainly due to an increase in professional fees and compensation expenses as well as the write-off of exploration and evaluation assets described in sections 4.1, 6.1 and 6.2 above. During the three month periods ended December 31, September 30, June 30 and March 31, 2014, there was no loss from discontinued operations because all expenses related to the wind up of the subsidiaries in Colombia, Nicaragua and Honduras had either already occurred or been accrued as at December 31, 2013. Total exploration and total assets increased from prior period due to the capitalization of expenditures incurred in the Canadian prospects, net of the write-off of Bermejo and the Generative projects in Peru, during the quarter ended December 31, 2014.

10. FOREIGN EXCHANGE

The following table summarizes the Canadian dollar average exchange rate for the years ended December 31, 2014 and 2013, as well as the spot rate as of March 10, 2015, providing the value of one Canadian dollar in the currencies of the countries in which the Corporation conducted business during the year ended December 31, 2014.

Currency	**December 31, 2014**	December 31, 2013	March 10, 2015
United States dollar (USD)	**0.906**	0.971	0.793
Peruvian Nuevo Sol (PEN)	**2.532**	2.580	2.408
Mexican Peso (MXN)	**12.039**	12.382	12.268

11. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2014, the Corporation had cash of $10,998,647 (December 31, 2013 - $11,054,929) and working capital of $10,681,654 (December 31, 2013 - $10,991,897). Cash and working capital have decreased from December 31, 2013, due to the expenditures incurred mostly in connection with exploration activities, and general and administration activities related to the offices in Canada and Peru, net of the cash obtained from the acquisition of OEL. The majority of the Corporation's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms.

The Corporation has no history of revenues from its operating activities. The Corporation is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the period ended December 31, 2014, the Corporation had negative cash flow from operating activities, and the Corporation anticipates it will have negative cash flow from operating activities in future periods.

The Corporation has, in the past, financed its activities by raising capital through equity issuances. Until it can generate a positive cash flow position, in order to finance its exploration programs, the Corporation will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets or obtaining other non-equity sources of financing.

The Corporation believes it has sufficient cash resources to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next twelve months. However, there is no guarantee that the Corporation will be able to maintain sufficient working capital in the future due to market, economic and commodity price fluctuations. See *"Risks and Uncertainties"*.

12. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

See section 4.2 for information regarding option payments on the properties for the Corporation's outstanding commitments. In addition to the option payments, on November 6, 2012 the Corporation signed a sublease agreement for office space, under which it is committed to annual payments of approximately $220,000 for a five-year term, which terminated on February 28, 2018. During the year ended December 31, 2014, the term of this lease was reduced to four years, now terminating on February 28, 2017.

In connection with the sublease agreement, the Corporation signed an $80,000 letter of credit, which is supported by a GIC deposit at a Canadian Chartered Bank disclosed within restricted cash. On March 3, 2015, the letter of credit was reduced to $26,666, upon completion of the second year of the lease agreement.

During the year ended December 31, 2014, the Corporation concluded to terminate the Antamayo option agreement. As a result, the Corporation accrued environmental liabilities relating to the clean up of the drill pads and access roads on the Antamayo project that has amounted to an accrual in the amount of $213,314 (USD$183,429).

13. OFF-BALANCE SHEET ARRANGEMENTS

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

14. TRANSACTIONS WITH RELATED PARTIES

Details of the transactions between the Corporation and other related parties are disclosed below.

The Corporation's key management consists of the following officers and directors as follows:

- President and CEO — Officer and Director
- CFO — Officer
- VP of Exploration — Officer
- Directors

During the year ended December 31, 2014, consulting fees of $208,078 (2013 – $360,179) were incurred with Talisker Exploration Services Inc., a company related to Mr. Chris Lodder, Mr. Terence Harbort, and Mr. Ruben Padilla, members of the Advisory Committee of the Corporation, out of which an owing balance of $27,652 is included within accounts payable at December 31, 2014 (2013 – $nil). These consulting fees have been recorded at their exchange amount – being the amount agreed to by the parties and are included within continuing operations.

On April 14, 2014, the Corporation completed the acquisition of OEL, which was a related party to the Corporation due to certain directors and officers of the Corporation, including Mr. Jose Vizquerra, Mr. Blair Zaritsky, Mr. Gernot Wober, and Mr. John Burzynski also being directors and/or officers of OEL. For additional information regarding the acquisition of OEL, please see *"Description of the Business – Acquisition of Oban Exploration Limited"*.

a) Compensation of key management personnel

For the year ended	**December 31, 2014**	December 31, 2013
Salaries expense of key management	**$ 576,889**	$ 344,942
Directors' fees	**189,437**	143,664
Stock-based compensation	**921,985**	763,295
Compensation of key management personnel	**$ 1,688,311**	$ 1,251,901

There were no directors' fees accrued as of December 31, 2014.

15. OUTSTANDING SHARE DATA

As at March 10, 2015 the Corporation had 99,881,563 Common Shares outstanding, as well as 7,040,000 stock options to purchase Common Shares at a weighted average exercise price of $0.22 per share and nil warrants. This amounts to 106,921,563 Common Shares outstanding on a fully diluted basis.

The following table summarizes the options issued and outstanding as at December 31, 2014:

Exercise Price	Number of Stock Options Outstanding	Weighted-Average Remaining years of Contractual Life	Number of Stock Options Exercisable	Weighted Average Exercisable Price
$0.22	**7,040,000**	**4.307**	**2,346,663**	**$ 0.22**

16. CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses for the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates and associated assumptions are based on various assumptions including historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

i) Significant judgments in applying accounting policies

The areas that require management to make significant judgments in applying the Corporation's accounting policies in determining carrying values include, but are not limited to:

Taxes:

The Corporation is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes, due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

ii) Significant Accounting Estimates and Assumptions

The areas that require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Impairment of non-financial assets:

The Corporation assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is the higher of the fair value less costs to sell and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and future operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

Fair value of share-based payments:

Determining the fair value of share-based payments involves estimates of interest rates, expected life of options, expected forfeiture rate, share price volatility and the application of the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the input of highly subjective assumptions that can materially affect the fair value estimate. Stock options granted vest in accordance with the stock option plan. The valuation of stock-based compensation is subjective and can impact profit and loss significantly. The Corporation has applied a forfeiture rate in arriving at the fair value of stock-based compensation to be recognized, reflecting historical experience. Historical experience may not be representative of actual forfeiture rates incurred. Several other variables are used when determining the value of stock options using the Black-Scholes valuation model:

- ***Dividend yield***: the Corporation has not paid dividends in the past because it is in the exploration stage and has not yet earned any significant operating income. Also, the Corporation does not expect to pay dividends in the foreseeable future. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the stock options.
- ***Volatility***: the Corporation uses historical information on the market price of peer companies to determine the degree of volatility at the date when the stock options are granted. Therefore, depending on when the stock options were granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different stock options.
- ***Risk-free interest rate***: the Corporation used the interest rate available for government securities of an equivalent expected term as at the date of the grant of the stock options. The risk-free interest rate will vary depending on the date of the grant of the stock options and their expected term.

Recoverability of VAT receivable:

Management's assumptions regarding the recoverability of Value Added Tax ("VAT") receivable in Mexico and Peru, at the end of each reporting period, is made using all relevant facts available, such as the development of VAT policies in both jurisdictions, past collectability, and the general economic environment of jurisdictions to determine if a write-off of the VAT is required.

17. CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting periods ended after December 31, 2014. Many are not applicable or do not have a significant impact to the Corporation and have been excluded from the summary below.

International Financial Reporting Standard 2, "Share-based payment" ("IFRS 2")

The amendments to IFRS 2 'Share-based payment" ("IFRS 2"), issued in December 2013 clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. The Corporation has not identified any material impact from the adoption of this standard.

International Financial Reporting Standard 3, "Business combinations" ("IFRS 3")

The amendments to IFRS 3 'Business combinations' ("IFRS 3"), issued in December 2013, clarify the accounting for contingent consideration in a business combination. At each reporting period, an entity measures contingent consideration classified as an asset or a financial liability at fair value, with changes in fair value recognized in profit or loss. The amendments are effective for business combinations for which the acquisition date is on or after July 1, 2014. The Corporation has not identified any material impact from the adoption of this standard.

International Accounting Standard 36, "Impairment of Assets" ("IAS 36")

On May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36 'Impairment of Assets' ("IAS 36"), requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014 and will be applied prospectively. There currently is no impact on the Corporation's financial statements upon adoption of IAS 36. The Corporation has not identified any material impact from the adoption of this standard.

International Financial Reporting Interpretations Committee 21, "Levies" ("IFRIC 21")

IFRIC 21 'Levies' ("IFRIC 21") was issued by the IASB in May 2013, which is effective for annual periods beginning on or after January 1, 2014 and is to be applied retrospectively. IFRIC 21 provides guidance on accounting for levies in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. The Corporation has not identified any material impact from the adoption of this standard.

International Accounting Standard 32, "Financial Instruments: Presentation" ("IAS 32")

The amendments to IAS 32 'Financial Instruments: Presentation' ("IAS 32"), clarify the criteria that should be considered in determining whether an entity has a legally enforceable right of set off in respect of its financial instruments. Amendments to IAS 32 are applicable to annual periods beginning on or after January 1, 2014, with retrospective application required. There was no material impact on the Corporation's consolidated financial statements upon adoption of these amendments.

International Financial Reporting Standard 8, "Operating segments" ("IFRS 8")

The amendments to IFRS 8 'Operating segments' ("IFRS 8"), issued in December 2013, require an entity to disclose the judgments made by management in applying the aggregation criteria for reportable segments. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The Corporation does not expect any material impact from the adoption of this standard.

International Financial Reporting Standard 9, "Financial instruments" ("IFRS 9")

IFRS 9 'Financial Instruments (Revised)' ("IFRS 9") was issued by the IASB in October 2010. It incorporates revised requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 'Financial Instruments: Recognition and Measurement' ("IAS 39"). The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities.

New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

On July 24, 2014, the IASB issued the final version of IFRS 9 with an effective adoption date of January 1, 2018, with early adoption permitted. The Corporation has evaluated the requirements of the new standard and does not expect any material impact from the adoption of this standard.

International Financial Reporting Standard 15, "Revenue from contracts with customers" ("IFRS 15")

In May 2014, IFRS 15 'Revenue from contracts with customers' ("IFRS 15") was issued to specify how and when an entity would recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The Corporation has not identified any impact from the adoption of IFRS 15. The Corporation has evaluated the requirements of the new standard and does not expect any material impact from the adoption of this standard.

International Accounting Standard 16, "Property, plant and equipment" ("IAS 16") and International Accounting Standard 38, "Intangible assets" ("IAS 38")

In May 2014, the IASB issued amendments to IAS 16 'Property, plant and equipment' ("IAS 16") and IAS 38 'Intangible assets' ("IAS 38"). The amendments are effective for annual periods beginning on or after January 1, 2016 and are to be applied prospectively. The amendments clarify the factors in assessing the technical or commercial obsolescence, to provide a rebuttable presumption for intangible assets and the resulting depreciation period of an asset and state that a depreciation method based on revenue is not appropriate. The Corporation has evaluated the requirements of the new standard and does not expect any material impact from the adoption of this standard.

International Accounting Standard 24, "Related party disclosures" ("IAS 24")

The amendments to IAS 24 'Related party disclosures' ("IAS 24"), issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The Corporation does not expect any material impact from the adoption of this standard.

International Financial Reporting Standard 11, "Joint Arrangements" ("IFRS 11")

In May 2014, the IASB issued amendments to IFRS 11 'Joint Arrangements' ("IFRS 11"). The amendments in IFRS 11 are effective for annual periods beginning on or after January 1, 2016 and are to be applied prospectively. The amendments clarify the accounting for acquisition of interests in joint operations and require the acquirer to apply the principles on business combinations accounting in IFRS 3 'Business combinations'. The Corporation has evaluated the requirements of the new standard and does not expect any material impact from the adoption of this standard.

18. RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in the Americas, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones described below, could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See *"Forward-Looking Information"*. The reader should carefully consider these risks as well as the information disclosed in the

Corporation’s financial statements, the Corporation’s annual information form dated March 10, 2015, and other publicly filed disclosure regarding the Corporation, available under the Corporation's issuer profile on SEDAR at www.sedar.com.

Nature of Mineral Exploration and Mining

The Corporation's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Corporation's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on the Corporation's projects, or the current or proposed exploration programs on any of the properties in which the Corporation has exploration rights, will result in any profitable commercial mining operations. The Corporation cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; precious metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Corporation not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes), and other unanticipated interruptions.

Exploration, Development and Operations

The long term profitability of the Corporation's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors, including the Corporation's ability to extend the permitted term of exploration granted by the underlying concession contracts. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Liquidity and Additional Financing

The Corporation's ability to continue its business operations is dependent on management's ability to secure additional financing. The Corporation's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Corporation's obligations.

The Corporation's main funding requirements are for its corporate overhead and satisfaction of its mineral exploration, property and project obligations. The advancement, exploration and development of the Corporation's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Corporation may be required to seek additional sources of equity financing in the near future. While the Corporation has been successful in raising such financing in the past, its ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that the Corporation will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Corporation's objectives or obtained on terms favourable to the Corporation. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Corporation's properties, or even a loss of property interest, which would have a material adverse effect on the Corporation's business, financial condition and results of operations.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Corporation has not determined whether any of its properties contains economically recoverable reserves of ore and currently has not earned any revenue from its projects; therefore, the Corporation does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Corporation's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Corporation's properties. The Corporation does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the Corporation's properties will eventually enter commercial operation. There is also no assurance that new capital will be available, and if it is not, the Corporation may be forced to substantially curtail or cease operations.

Political, Economic and Country-Specific Risks

The Corporation conducts its activities in Peru, among other foreign jurisdictions. These operations are potentially subject to a number of political, social, economic and other risks and uncertainties, including the risk of expropriation, nationalization, renegotiation or nullification of existing contracts, mining licenses, mining permits or other agreements, changes in laws or taxation policies, currency exchange restrictions, changing political conditions, international monetary fluctuations, civil unrest, acts of war, insurrection and terrorism. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important facilities such as mines could have a significant effect on the Corporation. Any changes in regulations or shifts in political attitudes are beyond the Corporation's control and may adversely affect its business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, earnings repatriation, income and/or mining taxes, expropriations, the environment, and mine and/or site safety. Such risks could potentially arise in any country in which the Corporation operates.

The Corporation's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Corporation's operations in another country, the Corporation may be subject to the exclusive jurisdiction of foreign courts or tribunals, or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental body because of the doctrine of sovereign immunity. Accordingly, the Corporation's exploration and development activities in Peru and other jurisdictions could be substantially affected.

Market Price of the Common Shares

The Common Shares trade on the TSX under the symbol "OBM". The market prices of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the Common Shares will develop or be sustained, nor that fluctuations in the price of the Common Shares will not occur. The market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Volatility of Commodity Prices

The development of the Corporation's properties is dependent on the future prices of minerals and metals. As well, should any of the Corporation's properties eventually enter commercial production, the Corporation's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Corporation's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

The effect of these factors on the prices of precious metals, and therefore the economic viability of any of the Corporation's exploration projects, cannot be accurately determined. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Corporation's properties to be impracticable or uneconomical. As such, the Corporation may determine that it is not economically feasible to commence commercial production at some or all of its properties, which could have a material adverse impact on the Corporation's financial performance and results of operations. In such a circumstance, the Corporation may also curtail or suspend some or all of its exploration activities.

Acquiring Title

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Corporation may not be the registered holder of some or all of the concessions comprising the Lithocaps Project and the Marcahui Project. These concessions may currently be registered in the names of other individuals or entities, which may make it difficult for the Corporation to enforce its rights with respect to such concessions. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the concessions at one or more of the Corporation's projects may have a material adverse impact on the financial condition and results of operation of the Corporation.

Title Matters

Once acquired, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more concessions at the Corporation's projects will not be challenged or impugned. There may be challenges to any of the Corporation's titles, which, if successful, could result in the loss, or reduction of the Corporation's interest in such titles. The Corporation's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Corporation may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Political and Social Situation in Peru

The Peruvian government has effective stabilization policies in place and over the last ten years has demonstrated support for the development of their natural resources by foreign companies. However, political risk is a structural issue in Peru and there is no assurance the government will not adopt different policies on resource nationalism that negatively impact foreign ownership of mineral resources and the taxation of mining revenues, among other things.

Social protest at the local community level is a risk for the Corporation's operations in Peru. Peru has recently experienced protests in smaller communities alleging that extractive industries are causing environmental damage and that mining companies are not investing enough in corporate social responsibility programs to benefit the communities in which they operate. The first law signed by President Humala, who formally entered office in 2011, required the government to consult with local communities before approving extractive projects. Further policy changes or social pressures could adversely impact the Corporation's operations in Peru, including the Lithocaps Project and the Marcahui Project.

Term and Extension of Concession Contracts

Non-compliance with concession contracts may lead to their early termination by the relevant mining authorities or other governmental entities. A company whose concession contracts were subject to termination could be prevented from being issued new concessions or from keeping the concessions that it already held. The Corporation is not aware of any cause for termination or any investigation or procedure aimed at the termination of any of its concession contracts.

Governmental Regulation

The mineral exploration and development activities of the Corporation are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in local areas of operation, including Peru. Although the Corporation's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing the Corporation's operations, or more stringent implementation thereof, could have an adverse impact on the Corporation's business and financial condition.

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Corporation's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that could cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the 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 such mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

Permitting

The operations of the Corporation require licenses and permits from various governmental authorities. The Corporation will use its best efforts to obtain all necessary licenses and permits to carry on the activities, which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Corporation will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of the Corporation's properties.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Corporation's projects may require the granting of environmental licenses and other environmental permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms required by the Corporation. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against the Corporation for violations of applicable laws or regulations.

Surface Rights

The Corporation does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Corporation's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Corporation's future operations.

Expropriation

In certain countries in which the Corporation operates, the national government may be able to exercise eminent domain powers in respect of the Corporation's assets (including the Corporation's mining concessions) in certain situations. Generally, the Corporation would be entitled to a fair indemnification for the expropriated assets. However, in some cases indemnification may be paid years after the asset is effectively expropriated, if at all, and the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or valued as part of an ongoing business.

Dependence on Key Personnel

The Corporation currently has a small senior management group sufficient for its present stage of exploration and development activity. The Corporation's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. The Corporation relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Corporation will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on the Corporation's business, financial condition and prospects. The Corporation currently does not have key person insurance on these individuals.

To operate successfully and manage its potential future growth, the Corporation must attract and retain highly qualified engineering, managerial and financial personnel. The Corporation faces intense competition for qualified personnel in these areas, and there can be no certainty that the Corporation will be able to attract and retain qualified personnel. If the Corporation is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition and operating results could be adversely affected.

Uninsurable Risks

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Corporation believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Corporation may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Corporation's future profitability and result in increasing costs and a decline in the value of the Common Shares. The Corporation does not maintain insurance against title, political or environmental risks.

While the Corporation may obtain insurance against certain risks in such amounts, as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Corporation's business and financial condition.

Global Financial Conditions

Current global financial conditions have been subject to increased volatility, and access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Corporation to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Corporation. If increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted and the value and price of the Common Shares could be adversely affected.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, the Corporation competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Corporation's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Corporation will continue to be able to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Corporation's business and financial condition.

Option and Joint Venture Agreements

The Corporation has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Corporation or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Corporation. Pursuant to the terms of certain of the Corporation's existing option agreements, the Corporation is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Corporation's business, financial results and condition.

Under the terms of such option agreements the Corporation may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Corporation forced to suspend operations on any of its concessions or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Corporation's business, financial results and condition.

The Corporation may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Foreign Currency Fluctuations

The Corporation's current and proposed exploration operations in Peru, as well as in other countries, render it subject to foreign currency fluctuations, which may materially affect its financial position. The Corporation holds Canadian and U.S. dollars and sends funds to Peru in U.S. dollars, which are then converted into the local currencies. The important exchange rates for the Corporation are those for the U.S. dollar, Canadian dollar and Peruvian nuevo sol. While the Corporation is funding work in foreign jurisdictions, its results could be impaired by adverse changes in the U.S. dollar and Canadian dollar relative to the applicable foreign exchange rates. Future equity financings will result in the generation of Canadian dollar proceeds to fund the Corporation's activities, which are mostly incurred in U.S. dollars and Peruvian nuevo soles. To the extent funds from such financings are maintained in Canadian dollars, the Corporation's results can be significantly impacted by adverse changes in exchange rates between the Canadian dollar, the U.S. dollar, Peruvian nuevo sol and other foreign currencies.

Enforcement of Civil Liabilities

Substantially all of the Corporation's non-cash assets are located outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of the Corporation. In the event of a dispute arising in connection with the Corporation's operations in Peru or any other foreign jurisdiction, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions.

Third Party Interventions

The Corporation's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of its projects. A number of non-governmental organizations are becoming increasingly active in South America, as local communities perceive an increase in the security and safety risks they face as a result of mining activities. These organizations may create or inflame public unrest and anti-mining sentiment among the inhabitants in areas of mineral development. Such organizations have been involved in mobilizing sufficient local anti-mining sentiment to delay and/or prevent the issuance of permits required for the exploration and development of other mineral projects, or in the organization of class action lawsuits. While the Corporation is committed to operating in a socially responsible manner, there is no guarantee that its efforts to mitigate this potential risk will be successful, in which case any such interventions by third parties could have a material adverse effect on the Corporation's business, financial position and operations.

Reliability of Geological Estimates

All of the Corporation's properties are in the early exploration stage and do not contain a known body of economically extractible ore. Exploration plans may change as work progresses, and there is the potential for delays in exploration and/or development activities or the completion of feasibility studies. Unless otherwise indicated, mineralization figures presented herein and in the Marcahui Technical Report and the Lithocaps Technical Report are based upon estimates made by geologists and the Corporation's personnel. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, all of which may prove to be unreliable. Furthermore, there are risks related to the reliability of analytical results and unforeseen possible variations in grade or thickness of the veins.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation, and to disclose any interest they may have in any project or opportunity of the Corporation. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Corporation's ability to explore its properties, thereby adversely affecting its business and financial condition.

Legal Systems

Peru has a legal system that is different from the common law jurisdictions of Canada. There can be no assurance that options, licenses, license applications or other legal arrangements will not be adversely affected by changes in governments, the actions of government authorities or others, or the effectiveness and enforcement of such arrangements.

19. CORPORATE GOVERNANCE

Management and the Board of Directors (the "**Board**") of the Corporation recognize the value of good corporate governance and the need to adopt best practices. The Corporation is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a Board Mandate outlining its responsibilities and defining its duties. The Board has three committees (the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee). The Audit Committee has an approved committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources.

The Board has also approved a Code of Ethics, which governs the ethical behavior of all employees, management and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Corporation's corporate governance practices, please refer to the Corporation's website at www.obanmining.com.

The Corporation's directors have expertise in exploration, metallurgy, mining, accounting, banking, financing and the securities industry. The Board meets at least four times a year and committees meet as required.

20. EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

The Canadian Securities Administrators have issued National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("National Instrument 52-109") which requires public companies in Canada to submit annual and interim certificates relating to the design and effectiveness of the disclosure controls and procedures that are in use at the company. Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the Corporation's Chief Executive Officer and Chief Financial Officer, to enable this information to be reviewed and discussed so that appropriate decisions can be made regarding the timely public disclosure of the information.

As of December 31, 2014, management of the Corporation has evaluated the effectiveness of the design and the operating effectiveness of the disclosure controls and procedures as defined by National Instrument 52-109. This evaluation was performed under the supervision of and with the participation of the Corporation's Chief Executive Officer and Chief Financial Officer. Based on this evaluation, the Corporation's Chief Executive Officer and Chief Financial Officer concluded that the design and operation of the disclosure controls and procedures were effective as at December 31, 2014.

21. INTERNAL CONTROL OVER FINANCIAL REPORTING

National Instrument 52-109 also requires public companies in Canada to submit an interim certificate relating to the design and operating effectiveness of internal control over financial reporting ("ICFR"). ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. Management is responsible for establishing and maintaining ICFR and management, including the Corporation's Chief Executive Officer and Chief Financial Officer, has evaluated the design of the ICFR at December 31, 2014. Based on this evaluation, management, with the participation the Corporation's Chief Executive Officer and Chief Financial Officer, has concluded that the design and operating effectiveness of ICFR was effective as at December 31, 2014.

The Corporation has continued to use 1992 Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to design its ICFR. Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis as such systems can only be designed to provide reasonable as opposed to absolute assurance. Also, projections of any evaluation of the effectiveness of ICFR to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

22. CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

National Instrument 52-109 requires public companies in Canada to disclose in their MD&A any change in Internal Control Over Financial Reporting ("ICFR") during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

There have been no changes in ICFR during the year ended December 31, 2014 that materially affected or are reasonably likely to materially affect the Corporation's internal control over financial reporting.

23. NON-IFRS MEASURES

The Corporation has included a non-IFRS measure for "working capital" in this MD&A to supplement its financial statements, which are presented in accordance with IFRS. The Corporation believes that this measure provides investors with an improved ability to evaluate the performance of the Corporation. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Corporation determines working capital as follows:

Reconciliation for the period ended	**December 31, 2014**	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**
Current Assets	$ 11,168,357	$ 12,411,706	$ 13,975,890	$ 10,971,265
Less Current Liabilities	486,703	611,755	318,562	395,885
Working Capital	**$ 10,681,654**	**$ 11,799,951**	**$ 13,657,328**	**$ 10,575,380**

Reconciliation for the period ended	**December 31, 2013**	**September 30, 2013**	**June 30, 2013**	**March 31, 2013**
Current Assets	$ 11,293,436	$ 10,974,042	$ 10,889,388	$ 12,389,179
Less Current Liabilities	301,539	399,355	297,780	428,446
Working Capital	**$ 10,991,897**	**$ 10,574,687**	**$ 10,591,608**	**$ 11,960,733**

Reconciliation for the year ended		**December 31, 2014**		**December 31, 2013**		**December 31, 2012**
Current Assets	$	11,168,357	$	11,293,436	$	14,199,580
Less Current Liabilities		486,703		301,539		644,881
Working Capital	**$**	**10,681,654**	**$**	**10,991,897**	**$**	**13,554,699**

24. ADDITIONAL INFORMATION

Additional information regarding the Corporation can be found in the AIF, which is available under the Corporation's issuer profile on SEDAR at www.sedar.com.

25. SUBSEQUENT EVENTS

On February 2, 2015, the Corporation signed an agreement with a non-related company to acquire the undivided 100% interest of the Kirkland Lake property, located in northern Ontario, for an aggregate payment of $130,000. The Corporation made a first option payment of $65,000 upon signing, with an additional option payment of $65,000 due on the first anniversary date upon signing. The agreement is also subject to an existing royalty granted to a third party for certain claims, which can be purchased for $500,000, and also a 2% net smelter royalty, ("NSR") granted to another entity.

On February 4, 2015, the Corporation signed an agreement with a non-related company to acquire the undivided 100% interest of the Hunter property, located in northern Ontario, for an aggregate payment of $150,000. The Corporation made a first option payment of $20,000 upon signing, with additional option payments due of $30,000 on the first anniversary date upon signing, $45,000 on the second anniversary date upon signing, and $55,000 on the first anniversary date upon signing. The agreement is also subject to a 2% NSR, which can be purchased for $1,000,000 per 1% NSR.

On February 22, 2015, the Corporation signed an agreement with a non-related company to acquire up to 70% undivided interest of the Miller property, located in north-eastern Ontario. Under the terms of the agreement, the Corporation can earn up to a 51% interest in the Property by subscribing for $300,000 in common shares of Northstar Gold Corporation ("Northstar") at $0.10 per share, and making payments of $510,000 and incurring expenditures of $2,490,000 over three years. The Corporation can earn a further 9% interest by making a payment of $300,000 and incurring expenditures equal to $1,700,000 by the fifth anniversary, and a further 10% by the sixth anniversary for payment of $700,000 and expenditures equal to a further $1,300,000 and at the option of the Corporation, make either a $1,300,000 payment or commitment to fund the Miller property through to completion of a pre-feasibility study. The Corporation can form a joint venture at anytime after it has acquired 51% interest in the Property. Once the joint venture is formed simple dilution will take place until one party has been diluted to 10% or less, at which time the remaining 10% interest will be converted to a 2% NSR of which 1% can be purchased for $2,000,000 and the remaining 1% will have the right of first refusal to purchase. The Corporation completed the acquisition of Northstar shares on March 03, 2015.

On February 23, 2015, the Corporation signed an agreement with a non-related company to acquire the undivided 100% interest of the Olsen property, located in northern Ontario, for an aggregate payment of $50,000, which was completed upon signing. The agreement is also subject to a 1% NSR, which can be purchased for $500,000 for each of the patented land that conforms the property.