



**MANAGEMENT'S DISCUSSION AND ANALYSIS of**

**WEST KIRKLAND MINING INC.**

**For the Year Ended December 31, 2013**

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# West Kirkland Mining Inc.

## Management's Discussion and Analysis For the Year ended December 31, 2013

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This Management's Discussion and Analysis ("MD&A") of the financial conditions and results of operations of West Kirkland Mining Inc. ("West Kirkland" or the "Company") for the year ended December 31, 2013 should be read in conjunction with the Company's audited consolidated financial statements and related notes thereto for the year ended December 31, 2013.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted.

### Date

This Management's Discussion and Analysis is prepared as of April 30, 2014.

### Forward-Looking Information

Certain statements made and information contained herein may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation (collectively, "Forward-Looking Statements"). Forward-Looking Statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. Forward-Looking Statements in this MD&A include, but are not limited to, statements with regard to:

- Planned exploration activity including both expected drilling and geological and geophysical related activities;
- Impact of increasing competition;
- Future foreign currency exchange rates;
- The Company's ability to obtain additional financing on satisfactory terms; and
- Future sources of liquidity, cash flows and their uses.

Forward-Looking Statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by the Company based on the information available to it, are inherently subject to significant business, economic and competitive uncertainties and contingences. The Company cautions investors that any Forward-Looking Statements provided by the Company are not a guarantee of future results or performance, and that actual results may differ materially from those in Forward-Looking Statements as a result of various estimates, assumptions, risks, and uncertainties, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the market for gold or other minerals that may be produced generally, recent market volatility; variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's ability to obtain any necessary permits, consents or authorizations required for its activities, to raise the necessary capital or to be fully able to implement its business strategies and other risks associated with the exploration and development of mineral properties.

Although the Company has attempted to identify risks and uncertainties (section 10) that may cause actual actions, events or results to differ materially from those described in Forward-Looking Statements, there may be other factors that cause actual results, performances, achievements or events to not be as anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. As actual results and future events could differ materially from those anticipated in Forward-Looking Statements, readers should not place undue reliance on such statements. Except as may be required by law, the Company undertakes no obligation to publicly update or revise any Forward-Looking Statements, whether as a result of new information, future events or otherwise.

### Description of Business

Anthem Ventures Capital Corp. ("Anthem") was incorporated on April 3, 2007 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual.

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On May 28, 2010 Anthem completed an amalgamation with West Kirkland Mining Inc. and acquired all of that company's 5,790,000 issued and outstanding shares (the "Qualifying Transaction"). West Kirkland Mining Inc. was a private British Columbia company incorporated in November 2009, holding a portfolio of mineral exploration properties located in Nevada and Ontario. The property portfolio included an option to earn up to a 75% undivided interest in Mexivada Mining Corp.'s ("Mexivada") Goldstorm gold exploration property located in Nevada (the "Goldstorm Option") and seven blocks of property optioned or staked in the West Kirkland Lake area of Ontario ("Ontario Mineral Interests", together the "Properties").

Upon completion of the Qualifying Transaction, West Kirkland Mining Inc. changed its name to WK Mining Corp. ("WK Mining") and Anthem changed its name to West Kirkland Mining Inc. The Qualifying Transaction has been accounted for as a reverse take-over. As a result the Company's consolidated financial statements and the MD&A reflect the financial position, operating results and cash flows of the legal subsidiary, WK Mining Corp., from inception; its United States subsidiary WK Mining (USA) Ltd. from its date of incorporation of June 18, 2010; and West Kirkland's results of operations from May 28, 2010.

The Company is engaged in the business of acquisition, exploration and development of mineral resource properties. The Company holds properties in Nevada and Utah, (see "Exploration Programs and Expenditures" below).

### Highlights for the year ended December 31, 2013

On January 18, 2013, the Company announced a \$5,000,000 best efforts financing. This financing was subsequently increased in size to \$5,600,000. This financing was closed on February 7, 2013 whereby the Company completed the sale of all 22,400,000 units offered at a price of \$0.25 per unit, for gross proceeds of \$5,600,000. Each unit consists of one common share of the capital of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.40 for a period of one year following the closing date of February 7, 2013.

On April 25, 2013 the Company reported results of metallurgical and exploration drilling performed in Nevada and Utah. The metallurgical core hole grades encountered at the TUG Project in Utah were slightly higher than historic reverse circulation holes for the property and the intercepts were moderately shorter. Exploration drilling discovered a new shallow zone of mineralization on the nearby 12 Mile prospect.

On August 1, 2013, the Company announced the results of an NI 43-101 technical report as a Preliminary Economic Assessment ("PEA") for the TUG Project prepared by Roscoe Postle Associates, Inc. The study predicts a 26% after-tax IRR and \$9 million NPV (8%) at \$1,525 gold/ \$28 silver and an in-pit Indicated Resource of 114,000 ounces gold plus 5.4 million ounces silver with an Inferred Resource of 3,000 ounces gold plus 298,000 ounces silver. Initial capital cost is projected to be \$24 million. (Note all funds in the PEA are in US Dollars). The Company has satisfied its spending requirement to complete its 60% earn in on the TUG property and is working with Newmont Mining Corporation ("Newmont") to complete a joint venture agreement.

Given the reduction in the price of gold during 2013, the Company took a decision to concentrate on potential acquisition targets in the last half of the year. The Company targeted primarily early development stage gold projects with characteristics indicating the ability to operate profitably in a low gold price environment. On January 24, 2014 the Company entered into a binding letter agreement with Allied Nevada Gold Corp. ("ANV") to acquire ANV's Hasbrouck and Three Hills properties in southwestern Nevada for consideration of up to US\$30 million. A US\$500,000 non-refundable cash deposit was paid to ANV upon execution of the letter agreement then a further US\$19,500,000 cash payment was made on April 23, 2014, at which time WKM earned a 75% interest in the properties. After acquiring the 75% interest in the properties the Company has the option to acquire the remaining 25% interest in the properties by paying an additional US\$10,000,000 to ANV within 30 months of April 23, 2014 in accordance with the terms and conditions of the letter agreement. If the Company does not make the additional payment to ANV, or if the Company offers the payment and ANV chooses to decline the

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payment, the properties shall be transferred into a joint venture with the Company retaining a 75% interest and ANV retaining a 25% interest.

### Discussion of Operations and Financial Results

#### 1. Results of Operations

Since incorporation, the Company has been engaged in the acquisition and exploration of mineral properties in North America.

#### *For the year ended December 31, 2013*

For the year ended December 31, 2013, the Company incurred a net loss of \$7.23 million (December 31, 2012 - \$4.2 million). The loss in the current year is primarily due to the write-down of deferred exploration expenditures in the amount of \$5.6 million in the current year versus \$2.8 million in the previous year. Salaries and benefits totaled \$624,772 (2012 - \$468,736), with the increase mainly due to full time senior personnel being in place in the current year. When including capitalized wage expenditures however, total salaries and benefits paid have actually decreased by \$219,435 in 2013. Professional fees totaled \$326,275 (2012 - \$352,081). Office and general expenses totaled \$185,582 (2012 - \$272,827), management and consulting fees totaled \$125,600 (2012 - \$252,641), while shareholder relations was \$108,537 (2012 - \$199,073). Lower expenses were incurred during the current year due to decreased exploration and field activity by the Company.

#### *Selected Information*

The following tables set forth selected financial data from the Company's consolidated financial statements and should be read in conjunction with those financial statements:

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Interest Income	\$4,985	\$9,159	32,677
Comprehensive Loss	\$6,653,229	\$4,304,015	\$4,285,387
Basic and Diluted Loss per Share	\$0.12	\$0.12	\$0.16
Total Assets	\$9,004,084	\$11,645,078	\$14,246,196
Long Term Debt	\$Nil	\$Nil	\$Nil
Dividends	\$Nil	\$Nil	\$Nil

The following table sets forth selected quarterly financial information for each of the last eight (8) quarters.

Quarter Ending	Interest & Other Income	Comprehensive Loss <sup>(1)</sup>	Net Basic Loss per Share
December 31, 2013	\$207	\$2,356,529	\$0.05
September 30, 2013	\$48	\$3,763,029	\$0.06
June 30, 2013	\$3,045	\$50,952	\$0.00
March 31, 2013	\$1,685	\$482,719	\$0.01
December 31, 2012	\$135	\$855,791	\$0.02
September 30, 2012	\$300	\$720,082	\$0.01
June 30, 2012	\$1,926	\$445,450	\$0.01
March 31, 2012	\$6,798	\$2,282,692	\$0.07

Explanatory Notes:

- (1) Comprehensive loss by quarter is often materially affected by the timing and recognition of large non-cash income, expenses or write-offs.

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### 2. Exploration Programs and Expenditures

For more detailed information regarding the Company's mineral properties please refer to note 5, "Mineral Properties" in the Company's audited consolidated financial statements for the year ended December 31, 2013.

As of December 31, 2013, total accumulated exploration and evaluation expenditures for each mineral property are summarized as follows:

Resource Property	Balance	Additions 2012				Write-off	Balance	Additions 2013				Write-off	Balance
	Dec 31, 2011	Q1	Q2	Q3	Q4	2012	Dec 31, 2012	Q1	Q2	Q3	Q4	2013	Dec 31, 2013
Cairo	\$ 60,654	\$ 421	\$ 265	\$ 179	\$ 2,669	\$ -	\$ 64,188	\$ -	\$ -	\$ -	\$ -	\$ (64,188)	\$ -
Cunningham	1,261,569	356,161	96,045	9,587	176,273	-	1,899,635	63,961	8,056	-	-	(1,971,652)	-
Flavelle	104,796	2,537	1,121	369	-	(108,823)	-	-	-	-	-	-	-
Goldbanks	675,781	379,816	-	-	-	(1,055,597)	-	-	-	-	-	-	-
Holmes	166,411	111,318	5,114	13,065	-	(295,908)	-	-	-	-	-	-	-
Island 27	615,385	-	-	-	-	(615,385)	-	-	-	-	-	-	-
McLean	214,177	32,600	72	-	-	-	246,849	7,125	-	786	-	(254,760)	-
Sutton	495,597	165,564	3,066	1,424	16,959	-	682,610	-	-	-	-	(682,610)	-
Other	9,636	674	73	-	-	(7,977)	2,406	-	-	-	-	(2,406)	-
Fronteer <sup>1</sup>	3,250,561	1,317,699	559,490	222,434	338,854	-	5,689,038	605,993	661,314	(26,928)	313,340	(2,307,668)	4,935,089
Rubicon <sup>1</sup>	888,144	149,840	361,562	519,741	144,949	-	2,064,236	495,749	417,745	(38,468)	58,256	-	2,997,518
<b>Total</b>	<b>7,742,711</b>	<b>2,516,630</b>	<b>1,026,808</b>	<b>766,799</b>	<b>679,704</b>	<b>(2,083,690)</b>	<b>10,648,962</b>	<b>1,172,828</b>	<b>1,087,115</b>	<b>(64,610)</b>	<b>371,596</b>	<b>(5,283,284)</b>	<b>7,932,607</b>

<sup>1</sup>The Fronteer and Rubicon expenditures are denominated in USD and converted to CAD at appropriate period end rates.

#### Fronteer, Nevada Property Option

On December 14, 2010 the Company entered into an agreement with Fronteer Gold, Inc. ("Fronteer") whereby West Kirkland may earn up to a 51% interest in 11 properties located in Nevada, USA by spending \$15,400,000 over four years. The exploration expenditures for the first two years of the agreement were met. After year two of the agreement, minimum expenditures were required only on an individual property by property basis giving the Company the opportunity to potentially reduce its future overall expenditure requirements by concentrating only on the preferred properties in the agreement. West Kirkland may also earn an additional 9% by spending an aggregate \$4,000,000 or completing a pre-feasibility study on any designated property. In conjunction with the agreement, Fronteer subscribed for 800,000 common shares of West Kirkland at \$1.25 per share by way of a private placement, for total proceeds of \$1,000,000 which closed on December 24, 2010.

On April 6, 2011 Newmont completed an acquisition of 100% of the issued and outstanding shares of Fronteer by plan of arrangement for aggregate cash consideration of approximately \$2.3 billion. As a result of Newmont's acquisition, all of the 11 properties optioned by the Company from Fronteer are now controlled by Newmont. Shares of the Company previously held by Fronteer are now controlled by Newmont. Newmont also participated in the Company's financings that closed on November 22, 2011, July 20, 2012 and February 7, 2013, bringing Newmont's holdings in the Company to 5,763,154 shares.

The third anniversary of the Fronteer agreement passed on December 24, 2013. The Company made the minimum required 3<sup>rd</sup> anniversary exploration expenditures on the TUG and Bullion Mountain properties. The rest of the properties were dropped and the Company's deferred exploration and acquisition costs related to the properties were written off. Subsequent to period end the Company decided it would not continue exploration on the Bullion Mountain property and the property has been written off. All minimum exploration expenditures have been made on the TUG property for all years. The Company has secured its second earn-in right and owns a vested 60% of the TUG property

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### TUG

The Company drilled six metallurgical core holes into the TUG property within the reporting period totaling 220.5 meters. The core holes were PQ sized, located to be representative of the entire mineralized body. These holes also twinned historic reverse circulation holes. The core holes returned results that were slightly higher in grade than the historic reverse circulation holes, over slightly shorter intervals. This pattern is consistent with better recovery in the core drilling. The results of this drilling are discussed in detail in the Company's April 25, 2013 news release.

The TUG deposit is exposed or near surface for the most part and is shallow dipping, making it a suitable target for open pit mining methods. An NI 43-101 PEA technical report was completed by Roscoe Postle Associates Inc. during the period. The study predicted a 26% after-tax IRR and a US\$9 million NPV(8%) at US\$1,525 gold/ US\$28 silver and an in-pit indicated resource of 114,000 ounces gold plus 5.4 million ounces silver with an inferred resource of 3,000 ounces gold plus 298,000 ounces of silver.

At December 31, 2013, \$4.9 million had been spent on the TUG property. The Company is in the process of negotiating a Joint Venture arrangement with Newmont to establish the operational and management framework for the TUG property going forward. The Company will be the manager and project operator of the Joint Venture. Although the Company is the project operator and has the right to determine programs and expenditures, a technical steering committee comprised of members from Newmont and West Kirkland has been established so that the exploration of the projects may benefit from the collective knowledge and expertise of both companies.

On October 18, 2012, the Company announced the acquisition of an additional 35% of the private mineral rights to certain key sections of the TUG property from a third party. Newmont Mining Corporation exercised its option to acquire these interests. These interests will be held by Newmont and subject to the joint venture agreement.

### ***Rubicon, Nevada Property Option***

On June 23, 2011, the Company entered into an agreement with Rubicon Minerals Corporation ("Rubicon") to option several properties comprising approximately 909 km<sup>2</sup> in northeastern Nevada. In exchange for work expenditures totaling US\$15.0 million originally over four years, the Company may earn a 51% interest in properties wherein Rubicon owns 100% or 75% of the mineral interest, and 60% of Rubicon's mineral interest where Rubicon's mineral interest is less than 75%. The Company may earn an additional 9% mineral interest in properties that the mineral rights are 100% owned by Rubicon by spending an additional US\$4,000,000 in exploration expenditures, or by completing a pre-feasibility study on any portion of the property. The Company has staked an additional 42.65 km<sup>2</sup> (532 claims) and added these claims to the option agreement. The complete Rubicon package now totals approximately 950 km<sup>2</sup>.

Under the terms of the agreement the Company made a firm commitment to a first year expenditure on the property package of US\$2.0 million to be made by the first anniversary of the agreement. The agreement was amended and this deadline was extended to October 31, 2012. The commitment was satisfied, Rubicon was notified of the completion and acknowledged completion.

As of December 31, 2013 US\$3.0 million had been spent by the Company towards this option, of which US\$0.9 million was spent in 2013, (2012 - \$1.06 million) including a provision for overhead. By virtue of amendments signed on January 23, 2013 and on October 28, 2013, all minimum property expenditures are now due to be made by the end of each calendar year with the second year minimum spend of US\$3.0 million now due to be made by December 31, 2014. Rubicon was issued 1 million shares of the Company in consideration for this extension to 2014. This deferral makes the next minimum exploration expenditure requirement of US\$3 million due December 31, 2014.

During the year the Company drilled 18 reverse circulation holes onto the properties under option from Rubicon totaling 3,100 meters. Drilling at the 12 Mile Prospect returned a new shallow zone of mineralization. An additional significant shallow intercept was cut on the Bandito prospect. Hole B13-001

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at Bandito returned 12.19 meters grading 0.96 g/t Au and 5.06 g/t Ag from a depth of 44.20 meters. The results of this drilling are discussed in detail in the Company's April 25, 2013 news release.

The Company has completed an extensive geophysical compilation using data collected by Newmont and Rubicon, collected in excess of 9,000 soil samples and mapped the highest priority targets on its Long Canyon Trend Properties. This work by the Company has identified several high quality targets for follow up drilling in 2014.

### 3. Liquidity and Capital Resources

During the period, the Company issued a total of 22,400,000 common shares for total gross proceeds of \$5,600,000. During the prior year, the Company issued a total of 4,828,603 common shares in a private placement for net cash proceeds of \$1,556,376. Cash proceeds are primarily spent on mineral property acquisitions, exploration and development, as well as for general working capital purposes. The Company's primary source of capital has been from the sale of equity.

Subsequent to year end the Company closed two financings. On January 29 and 31, 2014 the Company closed a non-brokered private placement of 11,900,000 shares at a price of \$0.10 per share for gross proceeds of \$1,190,000. Of the gross proceeds, US\$500,000 was paid on January 24, 2014 to ANV as a non-refundable deposit.

Further to its press releases of March 11, 2014 and April 9, 2014, on April 17, 2014 the Company closed a fully marketed prospectus offering of units of the Company, as well as the first tranche of a non-brokered private placement offering of units under substantially similar terms as the prospectus offering. Pursuant to the offerings the Company issued 194,907,833 units at a price of \$0.15 each for aggregate gross proceeds of \$29,236,175, including an amount exercised by the Agents under an over-allotment option. Each unit in the offerings consists of one common share of the Company and one common share purchase warrant exercisable for one common share at a price of \$0.30 at any time prior to 5:00 pm on April 17, 2019. Including legal fees and a cash commission paid to brokers representing 6% of the gross proceeds raised, the cost of the offerings to the Company was approximately \$1,902,000. Of the net proceeds from the offerings, \$21,444,150 (US\$19,500,000) was paid on April 23, 2014 to ANV to finalize the purchase of the Hasbrouck and Three Hills properties.

The Company has no long term debt or loan obligations. Liabilities consist primarily of trade payables of \$443,948 at December 31, 2013 (\$1,258,280 – December 31, 2012) incurred at market rates with arm's length third party suppliers, primarily for goods and services related to the Company's exploration of its mineral rights, and also for professional fees and other overhead expenses incurred in the normal course of operations. The Company is not aware of any contingencies as at December 31, 2013.

Under the terms of certain of the Company's mineral property option and purchase agreements, the Company is required to make scheduled acquisition payments and exploration commitments as summarized in the table below in order to preserve the Company's interests in the related mineral properties. In the event the Company does not make these payments or restructure the scheduled payments and exploration commitments, it is likely that the Company would forfeit its rights to acquire the related properties.

The financial statements are prepared on the basis of a going concern which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Although management expects to successfully complete additional equity financings, there is no absolute assurance that such financings will be concluded successfully. If equity financings are delayed or unsuccessful, there would be changes in the timing and amount of expenditures on the Company's mineral interests, and/or the Company may be unable to continue as a going concern. If the Company was unable to continue as a going concern there would be changes in the carrying amounts of assets and liabilities and the statement of financial position classifications used.

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The following table discloses all of the Company's optional mineral property acquisition payments and optional exploration commitments:

<b>Summary of Optional Mineral Property Expenditures</b>					
<b>Property</b>	<b>Total \$ Outstanding</b>	<b>&lt; 1 year</b>	<b>1 to 2 years</b>	<b>3 to 5 years</b>	<b>&gt; 5 Years</b>
<b><u>Hasbrouck &amp; Three Hills Properties</u></b> <sup>1, 2,</sup>	10,636,000	Nil	Nil	10,636,000	Nil
<b><u>Rubicon</u></b> <sup>1, 3,</sup> Exploration expenditures	12,756,671	2,120,671	5,318,000	5,318,000	Nil
<b>Total</b>	<b>23,392,671</b>	<b>2,120,671</b>	<b>5,318,000</b>	<b>15,954,000</b>	<b>Nil</b>

1. The Hasbrouck & Three Hills Properties and Rubicon optional mineral property expenditures are payable in US dollars and have been converted using an exchange rate of CAD\$1.0636 to US\$1
2. The Company has the option to pay an additional US\$10,000,000 to ANV within 30 months of April 23, 2014 in accordance with the terms and conditions of the letter agreement, where it will acquire the remaining 25% interest in the properties. If the Company does not make the additional payment to ANV, or if the Company offers the payment and ANV chooses to decline the payment, the properties shall be transferred into a joint venture with the Company retaining a 75% interest in the joint venture and ANV retaining a 25% interest.
3. West Kirkland has the option of earning an additional 9% on properties in which Rubicon holds a 100% interest by spending an additional US \$4,000,000 by the end of year six of the agreement or completing a pre-feasibility study on any Rubicon property.

On the Fronteer properties exploration commitments were due on a property by property basis in year 3. All TUG minimum expenditures have been made for all years and Bullion Mountain expenditures have been made through 2014.

#### 4. Off Balance Sheet Arrangements

The Company does not have any special purpose entities nor is it party to any arrangements that would be excluded from the balance sheet.

#### 5. Transactions with Related Parties

The Company paid remuneration for the following items with companies related by way of directors in common:

	December 31, 2013	December 31, 2012
Administration fees	\$ 42,000	\$ 42,000
Professional fees	60,000	60,000
Rent	72,399	89,153
Interest on notes payable	2,249	829
<b>Total Related Party Transactions</b>	<b>\$ 176,648</b>	<b>\$ 191,982</b>

For the year ended December 31, 2013, the Company paid or accrued \$42,000 (December 31, 2012 - \$42,000) for day-to-day administration, reception and secretarial services and \$60,000 (December 31, 2012 - \$60,000) for accounting services; and \$22,719 (December 31, 2012 - \$Nil) for rent to Platinum Group Metals Ltd., a company related by virtue of common directors and officers. All of these amounts were charged at fair market rates.



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For the period ended December 31, 2013, the Company paid \$49,680 (December 31, 2012 - \$89,153) for rent to Anthem Properties Group Ltd. and Anthem Works Ltd. respectively, companies related by virtue of a common director. The rental rate was negotiated on an arm's length basis and is set at a fair market rate.

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the parties.

### Compensation of Key Management Personnel

	December 31, 2013	December 31, 2012
Salaries and management fees	\$ 352,748	\$ 188,423
Directors fees	125,000	126,000
Share-based payments	73,933	-
Total compensation of key management personnel	\$551,681	\$ 314,423

### **6. Proposed Transactions**

As is typical of the mineral exploration and development industry, the Company periodically reviews potential merger, acquisition, investment, joint venture and other opportunities that could enhance shareholder value.

### **7. Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Management has identified (i) mineral property acquisition and deferred exploration costs (ii) provision for environmental reclamation and closure costs, (iii) deferred tax provision (iv) share-based compensation and (v) recoverability of its interest in mineral properties as the main estimates for the following discussion. Please refer to Note 2 of the Company's 2013 audited annual consolidated financial statements for a description of the significant accounting policies and critical accounting estimates.

Under IFRS, the Company defers all costs relating to the acquisition and exploration of its mineral properties. Any revenues received from such properties are credited against the costs of the property. When commercial production commences on any of the Company's properties, any previously capitalized costs would be charged to operations using a unit-of-production method. The Company reviews the carrying value of its mineral properties for recoverability when events or changes in circumstances indicate that the properties may be impaired. If such a condition exists and the carrying value of a property exceeds the estimated net recoverable amount, provision is made for impairment in value.

The existence of uncertainties during the exploration stage and the lack of definitive empirical evidence with respect to the feasibility of successful commercial development of any exploration property does create measurement uncertainty concerning the estimate of the amount of impairment and related fair value of any mineral property. The Company relies on its own or independent estimates of further geological prospects of a particular property and also considers the likely proceeds from a sale or assignment of the rights before determining whether or not impairment in value has occurred.

Environmental reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements, however changes in regulatory requirements and new information may result in revisions to estimates. The Company recognizes the fair value of liabilities for

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reclamation and closure costs in the period in which they are incurred. A corresponding increase to the carrying amount of the related assets is generally recorded and depreciated over the life of the asset.

The deferred tax provision is based on the liability method. Future taxes arise from the recognition of the tax consequences of temporary differences by applying enacted or substantively enacted tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of certain assets and liabilities. The Company does not recognize any deferred tax assets unless it is probable that the deferred tax amount will be realized in the foreseeable future.

### 8. Changes in Accounting Policies

The accounting policies applied in preparation of the audited consolidated financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended December 31, 2013 with the exception of certain amendments to accounting standards issued by the IASB, which were applicable from January 1, 2013. For the purpose of preparing and presenting the financial information for the relevant period, the Company has adopted all the following new standards relevant to the current period:

*IFRS 10, Consolidated Financial Statements:* effective for accounting periods commencing on or after January 1, 2013;

*IFRS 11, Joint Arrangements:* effective for accounting periods commencing on or after January 1, 2013;

*IFRS 12, Disclosure of Interests in Other Entities:* effective for accounting periods commencing on or after January 1, 2013;

*IFRS 13, Fair Value Measurement:* effective for accounting periods commencing on or after January 1, 2013;

*IAS 27, Consolidated and Separate Financial Statements:* effective for accounting periods commencing on or after January 1, 2013;

*IAS 28, Investments in Associates and Joint Ventures:* effective for accounting periods commencing on or after January 1, 2013;

*Amendments to IAS 1, Presentation of Items of Other Comprehensive Income:* effective for accounting periods commencing on or after July 1, 2012.

These amendments did not have a significant impact on the Company's consolidated financial statements.

The following standards will become effective in 2014 and 2015 as noted below:

*IAS 32, Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32):* On December 16, 2011 the IASB published amendments to *IAS 32 Financial Instruments: Presentation* to clarify the application of the offsetting requirements. The amendments are effective for annual periods beginning on or after January 1, 2014 with earlier adoption permitted.

*IFRS 9, Financial Instruments:* IFRS 9 introduces the new requirements for the classification, measurement and de-recognition of financial assets and financial liabilities. Specifically, IFRS 9 requires all recognized financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* to be subsequently measured at amortized cost or fair value, and all financial liabilities classified as subsequently measured at amortized cost except for financial liabilities as fair value through profit or loss. The amendments are effective for annual periods beginning on or after January 1, 2015 with earlier adoption permitted.

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*IFRIC 21, Levies:* IFRIC 21 is an interpretation of IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (“obligation event”). IFRIC 21 clarifies that the obligation event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014.

These standards are not expected to have a material impact on the financial statements.

### **9. Financial Instruments and Other Instruments**

The Company has designated its cash as loans and receivables, and it is measured at cost which approximates fair value. Accounts receivable are classified as loans and receivables and are measured at amortized cost. Reclamation bonds are classified as held to maturity and are measured at amortized cost, adjusted for current exchange rates. Trades payable and other liabilities are classified as other financial liabilities and are recorded at amortized cost. The asset held for sale is carried at fair value. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their capacity for prompt liquidation.

### **10. Risks and Uncertainties**

The Company's securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the Company's Canadian regulatory filings prior to making an investment in the Company. For a discussion of risk factors applicable to the Company, see the section entitled “Risk Factors” in the Company's most recent annual information form filed with the Canadian provincial securities regulators.

Without limiting the foregoing, the most significant risks and uncertainties faced by the Company are: the inherent risk associated with mineral exploration and development activities; the uncertainty of mineral resources and their development into mineable reserves; uncertainty as to potential project delays from circumstances beyond the Company's control; as well as title risks; political risks; risks associated with fluctuations in foreign exchange rates; risks associated with fluctuations in metal prices; risks associated with the possible failure to obtain mining licenses and/or obtain the capital required for project and mine development.

### **11. Disclosure on Internal Controls**

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

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a process to provide reasonable

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assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's accounting policies.

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

### 12. Outstanding Share Data

The Company has an unlimited number of common shares authorized for issuance without par value. At December 31, 2013 there were 61,293,336 common shares outstanding, 1,900,000 incentive share options outstanding and 24,814,301 common share purchase warrants outstanding (all of which have expired after year end). During the period the Company made no changes to the exercise price of outstanding options through cancellation and reissuance or otherwise. At April 30, 2014 the Company had 268,101,169 shares, 194,907,833 warrants and 1,900,000 options outstanding

### 13. Outlook

Subsequent to the completion of the Company's offerings of securities on April 17, 2014 as described above, the Company will focus its efforts and resources on the Hasbrouck and Three Hills properties (the "Hasbrouck Project") in Nevada. The planned budget and activities over the next 12 to 18 months are as follows:

Initial Payment of US\$19,500,000 to Allied Nevada for the acquisition of the Hasbrouck Project at an estimated exchange rate of \$1.0997 to the US Dollar (completed April 23, 2014).	\$21,444,150
Drilling (for resource in-fill, groundwater characterization, metallurgical samples, condemnation, mining geotechnical).	\$1,000,000
Permitting (base-line studies, ground water characterization, water pollution control permit, air permit, Mine Plan of Operations submission to Nevada Department of Environmental Protection and Bureau of Land Management).	\$700,000
Engineering (project configuration to advance permitting, and towards a prefeasibility study).	\$500,000
Exploration in and around the Hasbrouck Project with geological work and drilling, including increased resource confidence and other exploration.	\$1,000,000
Working capital	\$2,313,850
<b>Total Budget</b>	<b>\$26,958,000</b>

The following are the business objectives that the Company plans to accomplish in the next 12 to 18 months and the significant events that have, or must occur, for such objectives to be accomplished:

- (i) The 75% interest in the Hasbrouck Project acquired by the Company on April 23, 2014 is now the main asset of the Company and will transition the Company from primarily exploration to having a greater degree of focus on engineering and permitting.

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## Management's Discussion and Analysis For the Year ended December 31, 2013

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- (ii) The Company plans to advance the Hasbrouck Project with the goal of completing engineering and permitting work to a level for a permit application and a construction decision. Funds will be used for permitting and engineering work to achieve a mine plan of operation.
- (iii) The Company plans to explore in and around the Hasbrouck Project with geological work and drilling, including increased resource confidence and other exploration.
- (iv) The Company plans to submit a Mine Plan of Operation to Bureau of Land Management and the Nevada Department of Environmental Protection to commence the permitting process which the Company believes will result in a Record of Decision allowing mine construction and operation.
- (v) The Company plans to define the project configuration, including all appropriate tradeoffs, which is a necessary precursor to a feasibility study which in turn is required for final project definition, economic evaluation, and construction financing.
- (vi) The Company plans to complete a Prefeasibility Study for the Hasbrouck Project.

### Additional Information

Additional information relating to the Company can also be found on SEDAR.

### Approval

The Board of Directors of West Kirkland Mining Inc. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

### List of Directors and Officers:

Directors: R. Michael Jones  
Frank Hallam  
Pierre Lebel  
John Brock  
Kevin Falcon

Officers: R. Michael Jones (President and Chief Executive Officer)  
Frank Hallam (Chief Financial Officer and Corporate Secretary)  
Michael Allen (Vice President of Exploration)  
Sandy McVey (Chief Operating Officer)