

**SHAMROCK ENTERPRISES INC.  
MANAGEMENT'S DISCUSSION & ANALYSIS  
For the Period ended August 31, 2010**

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*The following discussion of the financial condition and results of operations of Shamrock Enterprises Inc. (the "Company") should be read in conjunction with the Company's Interim Financial Statements and Notes thereto for August 31, 2010 and the Company's prospectus dated September 15, 2010 together with all of the notes, risk factors and information contained therein.*

*This MD&A contains forward-looking statements that involve risks and uncertainties. The forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors. Readers are cautioned not to place undue reliance upon these forward-looking statements.*

*All dollar amounts are expressed in Canadian dollars unless otherwise indicated. Note that additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).*

This MD&A is current to October 29, 2010.

## **Overview**

Shamrock Enterprises Inc. ("Shamrock" or the "Company") was incorporated in British Columbia on April 17, 2008 pursuant to the provisions of the Business Corporations Act (British Columbia) and is a reporting issuer in British Columbia, Alberta and Ontario. The Company is a Vancouver-based mineral exploration company engaged in the acquisition and exploration of a precious and base metals project known as the Fireweed Property in northwest British Columbia. The Company has selected May 31<sup>st</sup> as its fiscal year end. As at August 30, 2010, the Company had not yet completed its initial public offering ("IPO") of securities. The regulatory authorities issued a receipt for the Company's final IPO prospectus on September 15, 2010 and upon completion of the IPO, the Company intends to have its common shares listed and called for trading on the Canadian National Stock Exchange ("CNSX").

## **Fireweed Property, British Columbia**

During the year ended May 31, 2010, the Company was granted an Option to acquire up to a 70% interest in the Fireweed Property, consisting of eight mineral claims located in the Omineca Mining Division, in the Province of British Columbia (the "Property"), from Pachamama Resources Ltd. (the "Optionor") The Optionor is not a related party to the Issuer and the Option Agreement was an arm's length transaction between the Issuer and the Optionor. Under the Option Agreement, the Issuer is required to do the following to exercise the Option to earn a 50% interest in the Property:

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- i) Make the following payments and share issuances to the Optionor:

<b>Date of Payment</b>	<b>Payment in Cash</b>	<b>Payment in Shares</b>
Upon execution of the Option Agreement	\$50,000 (paid)	
Within 5 business days of listing of the Issuer's Shares on the Exchange	-	100,000
1 <sup>st</sup> anniversary of the Option Agreement (February 17, 2011)	\$50,000	200,000
2 <sup>nd</sup> anniversary of the Option Agreement (February 17, 2012)	\$100,000	200,000
3 <sup>rd</sup> anniversary of the Option Agreement (February 17, 2013)	\$200,000	250,000
4 <sup>th</sup> anniversary of the Option Agreement (February 17, 2014)	\$250,000	250,000
<b>Total</b>	<b>\$650,000</b>	<b>1,000,000</b>

- ii) The Issuer must make the following work expenditures on the Property:

1 <sup>st</sup> anniversary of the Option Agreement (February 17, 2011)	\$200,000
2 <sup>nd</sup> anniversary of the Option Agreement (February 17, 2012)	\$450,000
3 <sup>rd</sup> anniversary of the Option Agreement (February 17, 2013)	\$650,000
4 <sup>th</sup> anniversary of the Option Agreement (February 17, 2014)	\$1,250,000
<b>Total:</b>	<b>\$2,550,000</b>

As set out above, under the Option Agreement the Issuer must issue 100,000 common shares to the Optionor within 5 business days of the listing of the Issuer's Shares on the Exchange. Therefore, 100,000 common shares of the Issuer shall be issued concurrently with the completion of the Offering.

Upon completing the above payments and work expenditures and exercising the Option to acquire a 50% interest in the Property, the Issuer may elect to earn an additional 10% interest in the Property for an aggregate interest of 60%. To exercise the Option to earn an additional 10% interest in the Property, the Issuer must complete a feasibility study within 3 years of exercising the Option. If the Issuer elects to earn the 60% interest in the Property and fails to complete the feasibility study within the 3 year period, its interest in the Property will be diluted to 35% and the Optionor will become the operator of the Property.

Upon earning an aggregate 60% interest in the Property, the Issuer may elect to earn an additional 10% interest in the Property for an aggregate interest of 70%. To exercise the Option to earn an additional 10% interest in the Property, the Issuer must advance the project to production within 3 years of earning the 60% interest in the Property by incurring the following annual construction expenditures:

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1 <sup>st</sup> anniversary of the exercise of the 60% Option	10% of capital expenditure as set out in the feasibility study
2 <sup>nd</sup> anniversary of the exercise of the 60% Option	30% of capital expenditure as set out in the feasibility study
3 <sup>rd</sup> anniversary of the exercise of the 60% Option	60% of capital expenditure as set out in the feasibility study

If the Issuer elects to earn the 70% interest in the Property and fails to advance the project to production within the 3 year period, its interest in the Property will be diluted to 50% and the Optionor will become the operator of the Property.

During the term of the Option Agreement, the Issuer will be the operator of the Property. Upon the Issuer earning an aggregate 50%, 60% or 70% interest in the Property, as the case maybe, and not electing to earn any additional interest, the parties will enter into a joint venture for the further development of the Property. The Issuer shall be the operator of the joint venture as long as its interest in the Property is 50% or greater.

The Property is subject to an underlying royalty in favour of Terry Lewis Eldridge based on a net smelter returns royalty equal to: (a) one percent (1%) of any mineral production derived from the Property during the first twelve (12) months of such production, and (b) two percent (2%) thereafter, excepting that the total underlying royalty payments shall not exceed a sum of \$5,000,000. For the purposes of calculating the underlying royalty, "net smelter returns" means the net payment received from a smelter or refinery from the sale of any precious or base metals recovered from a shipment of ore or concentrate from the Property to the smelter or refinery (including any bonuses paid by the smelter or refinery) after deduction by the smelter or refinery of handling, assaying, processing, smelting, sales charges, and penalties and direct production taxes, if any, less the cost of transporting the ore or concentrate to the smelter or refinery, but specifically excluding the cost of mining or milling.

### **Recommended Work Program**

A Technical Report dated July 28, 2010 entitled "2010 Technical Report Fireweed Silver Deposit – Babine Lake Area, Smithers B.C., Omineca Mining Division" has been prepared by Barry J. Price, M.Sc., P Geo., and is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The recommended work program outlined in the Technical Report calls for expenditures of \$200,000 for Phase I and \$450,000 for Phase II exploration work on the Property. Management's intention is to proceed with Phase I of the recommended work program in 2010 to assess the viability of the Property. The decision to proceed with Phase II will be dependent on a number of factors. It is possible that some portions of the net proceeds allocated for such work programs will be devoted to other acquisition, development or exploration opportunities identified by the Issuer from time to time. Should the Issuer decide not to proceed with Phase II of the recommended work program, the net proceeds will be used towards such other opportunities.

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Summary of deferred costs:

	<b>Acquisition Costs</b>	<b>Exploration Costs</b>	<b>August 31, 2010</b>	<b>May 31, 2010</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Fireweed Property, British Columbia	-	4,695	56,995	52,300

**Outlook**

For the coming year, the Company's priorities are to complete the IPO, become a listed company on the CNSX and to commence its proposed Phase 1 exploration program on the Fireweed Property.

**Results of Operations**

*Three Months Ended August 31, 2010 and Comparable Prior Period Analysis*

The Company incurred an overall loss of \$50,181 for the current period compared to \$9,685 for the prior period. This is due mainly to an increase in professional and office and general costs for the current period over the prior comparable period. The ramp up in these costs are related to management taking steps towards listing the Company on the CNSX.

*Expected Volatility in Results of Operations*

The Company's operations consist of evaluating, acquiring and exploring mineral properties for the purpose of discovering economically recoverable reserves. The Company will continue to incur period expenditures towards this goal. The timing and impact of such period expenditures cannot be accurately predicted due to the volatile nature of the business operations, as such, it is expected the results of operations will continue to see variances year over year, and period over period.

**Liquidity and Capital Resources**

The Company is in the exploration stage and therefore has no cash flow from operations. Its only source of funds since incorporation has been from the sale of shares. From the date of incorporation on April 17, 2008 to August 31, 2010, the Company has raised \$325,700 from the sale of shares for cash through the issuance of 5,432,800 shares.

As at August 31, 2010 current assets were \$26,991 and current liabilities resulting in working capital of \$26,725. There are no known trends affecting liquidity or capital resources at this time.

As of August 31, 2010 the Company had total assets of \$110,771. The principal assets are cash of \$31,913, prepaid expense of \$21,803 and mineral property interests of \$56,995 for the Fireweed Property. The net proceeds to be raised from the IPO are expected to fund the Company's operations for at least 12 months.

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**Selected Quarterly Information**

	<b>Aug. 31</b>	<b>May 31</b>	<b>Feb. 28</b>	<b>Nov. 30</b>	<b>Aug. 31</b>	<b>May 31</b>	<b>Feb. 28</b>	<b>Nov. 30</b>
	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2008</b>
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial results:</b>								
Net loss	(50,181)	(80,401)	(23,822)	(12,045)	(9,731)	(19,590)	(19,307)	(10,514)
Basic loss per share	(0.07)	(0.03)	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)

An analysis of the quarterly results over the last eight quarters shows a substantial variance which can be attributed to the Company incurring varying professional, and office and general costs period over period. In light of the volatile nature of the mineral exploration business, management expects continued variances over the comparable periods. The period ended May 31, 2008 is a short period as the Company was incorporated and began operations on April 17, 2008.

**Selected Share Capital Data**

Pursuant to a special resolution passed on March 1, 2010, the Company consolidated its common shares on a 2.27 old for 1 new basis (100/44). All share and per share amounts in subsequent financial statements will be changed to reflect this share consolidation as though it had occurred April 17, 2008.

***Pre-roll back share capital outstanding:***

	<b>Shares Outstanding</b>	<b>Share Capital</b>
		\$
<b>April 17, 2008 (Inception)</b>	<b>1</b>	<b>0.01</b>
Private placements	1,000,000	5,000
<b>Balance at May 31, 2008</b>	<b>1,000,001</b>	<b>5,000</b>
Private placements	6,620,001	164,200
<b>Balance at May 31, 2009</b>	<b>7,620,001</b>	<b>169,200</b>
<b>February 28, 2010</b>	<b>7,620,001</b>	<b>169,200</b>

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*Post-roll back share capital outstanding if it had occurred before August 31, 2010:*

	Shares Outstanding	Share Capital
		\$
<b>April 17, 2008 (Inception)</b>	-	<b>0.01</b>
Private placements	440,000	5,000
<b>Balance at May 31, 2008</b>	<b>440,000</b>	<b>5,000</b>
Private placements	2,912,800	164,200
<b>Balance at May 31, 2009</b>	<b>3,352,800</b>	<b>169,200</b>
Private placements	2,080,000	156,500
<b>Balance at May 31, 2010</b>	<b>5,432,800</b>	<b>169,200</b>
Private placements	-	-
<b>Balance at August 31, 2010</b>	<b>5,432,800</b>	<b>169,200</b>

**Financial Instruments and Related Risks**

**Financial instrument risk exposure**

The Company manages its exposure to financial risks, including credit risk, and liquidity risk. The Company's Board of Directors oversees management's risk management practices by setting parameters and reporting requirements. The oversight provides a framework for the Company to manage the risks it is exposed to and to protect itself against adverse price movements. All transactions undertaken are to support the Company's ongoing business. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

The following describes the types of risks that the Company is exposed to and its objectives and policies for managing those risk exposures:

***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company has in place a planning and budgeting process to help determine funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there is sufficient committed capital to meet its short-term business requirements, taking into account anticipated cash flows from operations and its holdings in cash. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The Company does not currently own or have an interest in a profitable business and does not derive any revenues from operations. The Company's activities have been funded through equity financing and advances from related parties and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from operations. There can be no assurance, however, that the Company will be successful in its efforts.

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	<b>Within 1 Year</b>	<b>1 to 5 years</b>
	\$	\$
Accounts payable and accrued liabilities	3,639	-

***Credit risk***

Credit risk is the risk of loss due to the Company's inability to meet its obligations. The Company's exposure to credit risk is on its cash.

The carrying amount of cash represents the maximum credit exposure. This risk is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

In the opinion of management, the Company's exposure to credit risk due to the stability of the banking institution in use.

**Related Party Transactions**

The following balances are owing to related parties as at:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Account Item</b>	<b>August 31, 2010</b>	<b>May 31, 2010</b>
			\$	\$
Company controlled by CFO	Accounting services	Due to related party	2,800	3,250
CEO & Director	Management fees and expenses	Due to related party	5,000	3,045
Company controlled by Corporate Secretary	Corporate secretarial services	Due to related party	5,002	-
			12,802	6,295

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The following transactions were incurred by the Company from related parties for the 3-months ended:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Account Item</b>	<b>August 31, 2010</b>	<b>August 31, 2009</b>
			\$	\$
Company controlled by CFO	Accounting services	Professional fees	8,400	-
CEO & Director	Management fees and expenses	Management fees	15,000	9,000
Company controlled by Corporate Secretary	Corporate secretarial services	Professional fees	5,002	-
			28,402	9,000

Amounts due to related parties are unsecured, non-interest bearing and repayment is anticipated during the ensuing year. All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**Off-Balance Sheet Transactions**

The Company has not entered into any significant off-balance sheet arrangements or commitments.

**Proposed Transactions**

The Company does not have any proposed transactions as at the date of this document

**Accounting Policies**

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Note 2 of the Company's 2010 annual consolidated financial statements describe all of the Company's significant accounting policies.

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Future Accounting Changes

(i) International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that January 1, 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. The IFRS standards will be effective for the Company for interim and annual financial statements relating to the Company's fiscal year beginning on or after June 1, 2012. The effective date of June 1, 2012 will require the restatement for comparative purposes of amounts reported by the Company for the interim periods and year ended May 31, 2011. The Company has begun the planning and scoping phase of the transition to IFRS and intends to transition to IFRS financial statements during fiscal 2011. While the Company has begun assessing the adoption of IFRS for fiscal 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

(ii) Business Combinations

In January 2009, the CICA issued Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary.

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements.

These new sections apply to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

**International Financial Reporting Standards ("IFRS")**

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011, with early adoption permitted. Accordingly, the conversion to IFRS will be applicable to the Company's reporting no later than in the first quarter of 2011, with restatement of comparative information presented. The conversion to IFRS will impact the Company's accounting policies, and disclosure controls and procedures. The transition may also impact business activities, such as foreign currency activities, certain contractual arrangements, capital requirements and mineral property commitments. In light of these requirements the Company is developing an IFRS transition project plan.

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The Company designated the appropriate resources to the project to develop an effective plan and will continue to assess resource and training requirements as the project progresses. The Company identified the following four phases of its conversion plan: scoping and planning, detailed assessment, operations implementation and post implementation. The scoping and planning phase involves designating conversion leader, mobilizing organizational support for the conversion plan, identifying major areas affected implementation plan and communication strategy. The Company has completed the scoping and planning phase. The detailed assessment phase ("2<sup>nd</sup> Phase") which is in progress will result in accounting policies, estimates of quantification of financial statement impact, preparation of shell financial statements and identification of business processes and resources impacted. The Company completed the shell financial statements including estimates of the anticipated financial statement during Q4 2009. The operations implementation phase ("phase 3") includes the design of business, reporting and system processes to support the compilation of IFRS compliant financial data for the opening balance sheet at January 1, 2010, fiscal 2010 and thereafter.

Post implementation ("phase 4") will include sustainable IFRS compliant financial data and processes for fiscal 2011 first quarter of 2009 and beyond. The Company will continue to monitor changes in IFRS throughout the duration of the conversion process and assess their impacts on the Company and its reporting.

The Company identified key differences between the Company's current accounting policies under Canadian GAAP and those it expects to apply in preparing its first IFRS financial statements. These differences are based on IFRS standards effective as at the date of this document. The International Accounting Standards Board ("IASB") continues to amend and add to current IFRS standards with several projects underway. The Company's transition plan includes monitoring actual and anticipated changes to IFRS and related rules and regulations and assessing the impacts of these changes on the Company and its financial statements, including expected dates of when such impacts are effective. Key differences identified as of the date of this document are as follows:

***Impairment of mining interests and goodwill***

Under IFRS, impairment is assessed using a one-step process which compares the carrying amount to the recoverable amount, calculated as the greater of the value in use, being the estimated discounted future expected pre-tax cash flows, and fair value less costs to sell, of the asset being tested. Accordingly, upon adoption of IFRS, the Company will assess impairment of its mining interests, by site, by comparing the carrying amounts of its mining interests to the values in use for those sites without significant exploration potential properties. For these sites, impairment may result from the use of the one-step process under IFRS, while no impairment exists using the two-step process under Canadian GAAP. For those sites with significant exploration potential properties, the Company will assess impairment by comparing the carrying amounts of the relevant mining interests, net of related future income taxes, to the fair values less costs to sell, being the estimated discounted future after-tax cash flows plus an in-situ value for exploration potential mining properties and additional discounted amount for net cash flows from significant future expansion, less estimated costs to sell. For these sites, the process for assessing impairment under IFRS is similar to the process under Canadian GAAP, except that cash flows used under Canadian GAAP are on an undiscounted basis where goodwill is not applicable.

Under IFRS, an impairment loss is recorded for the difference between the carrying amount and the greater of value in use and fair value less costs to sell of a mining interest. Where goodwill is applicable, the carrying amount of goodwill is included in the carrying amount being assessed. The resulting

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impairment loss, if any, is allocated first to reduce goodwill to zero, with the remaining amount allocated to the mining interest. Reversals of impairment losses are recognized in the periods the reversals occur. When an impairment loss reverses in a subsequent period, the carrying amount of the related asset is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset previously. Reversal of impairment losses is not permitted under Canadian GAAP.

The Company is in the process of assessing its mining for impairment at December 31, 2009 in accordance with IFRS for the purpose of its opening IFRS balance sheet at January 1, 2010. In addition, the Company had no goodwill at December 31, 2009.

***Deferred taxes***

Under IFRS, deferred income taxes, called "future income taxes" under Canadian GAAP, are not recognized for temporary differences that arise from differences between the fair values and tax bases of assets acquired in transactions other than a business combination. Under Canadian GAAP, future income taxes are recognized for such temporary differences. The resulting future tax liability/asset under Canadian GAAP is recognized as a bump up/grind down of the carrying value of the related asset. For purposes of the opening IFRS balance sheet at January 1, 2010, the Company has not acquired any assets which would be considered as acquired in a transaction other than a business combination under IFRS to which this accounting policy difference would apply. In addition, the Company does not expect to acquire assets subsequent to the opening IFRS balance sheet date which would be considered as acquired in a transaction other than a business combination under IFRS.

***IFRS 1 – First-time adoption of International Financial Reporting Standards ("IFRS 1")***

IFRS 1 governs the first-time adoption of IFRS. In general, accounting policies adopted in accordance with IFRS are to be applied retrospectively. IFRS 1 allows certain exemptions from retrospective application. The exemptions the Company intends to elect to apply in preparing its first IFRS financial statements include:

- (a) Not accounting for business combinations that occurred prior to January 1, 2010 using the principles of IFRS 3 – *Business combinations*, which are equivalent to the principles of Section 1582 under Canadian GAAP which the Company adopted effective January 1, 2010 on a prospective basis;
- (b) Measuring certain mining properties and equipment at deemed cost on January 1, 2010, being the related assets' fair values on that date;
- (c) Not re-measuring stock-based compensation expense relating to stock options and restricted share units granted prior to November 7, 2002 and those granted after November 7, 2002 but have vested as at January 1, 2010.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This MD&A contains forward-looking statements that involve risks and uncertainties. The forward-looking information in this MD&A is based on the conclusions of management. The Company cautions

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that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

Other risks facing the Company include competition which can either increase costs or reduce the number of attractive opportunities; reliance on third parties, including consultants; statutory and regulatory requirements and uncertainty of additional financing. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward looking statements. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.