



## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the six months ended September 30, 2013

Dated: November 29, 2013

## Laurentian Goldfields Ltd.

### Management's Discussion and Analysis ("MD&A")

*Set out below is a review of the activities, results of operations and financial condition of Laurentian Goldfields Ltd. (referred to herein together as the "Company" or "Laurentian") for the six months ended September 30, 2013. The following information should be read in conjunction with the unaudited interim consolidated financial statements of Laurentian and the notes thereto for the six months ended September 30, 2013 and the audited consolidated financial statements of Laurentian and the notes thereto as at and for the year ended March 31, 2013.*

*This MD&A is prepared as of November 29, 2013. All dollar amounts are stated in Canadian Dollars unless otherwise noted.*

*The Company is a reporting issuer in the Provinces of British Columbia and Alberta in Canada and is listed on the TSX Venture Exchange in Canada under the symbol LGF. Additional information related to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).*

### Overall Performance

Highlights of the Company's activities during the six months ended September 30, 2013:

- For the six months ended September 30, 2013, the Company recorded a net loss of \$187,467 or \$0.02 loss per share compared to a net loss of \$553,860 or \$0.09 loss per share for the six months ended September 30, 2012.
- As at September 30, 2013, the Company had total assets of \$643,348 (March 31, 2013 - \$868,522) consisting primarily of cash of \$194,025 (March 31, 2013 - \$430,606), short-term investment of \$35,000 (March 31, 2013 - \$35,000), amounts receivable of \$72,585 (March 31, 2013 - \$49,515) and exploration and evaluation assets of \$313,210 (March 31, 2013 - \$313,210).

### Exploration Properties and Joint Venture / Alliance Agreements

#### ***Van Horne Property, Dryden, Ontario***

The Van Horne Gold Property (the "Property") is located 8 kilometres southwest of Dryden, Ontario and has one of the highest concentrations of gold showings in the Kenora District. The Property is situated within the emerging Wabigoon Subprovince, an area known to host several major gold deposits. The 2,765 ha Property is approximately 12 km long east-west and 3.5 km wide north-south. Laurentian's exploration efforts thus far support the presence of a large, robust Archean lode gold system, and the potential for both high-grade and bulk-tonnage gold has been identified in drilling on the Property.

During the year ended March 31, 2013, the Company satisfied the cash payments, share issuances, and exploration expenditure commitments on the eight underlying option agreements to the Property. As a result, the Company currently holds 100% of the right, title and interest in the mineral rights on four of the eight option agreements, two of which are still subject to additional optional consideration as detailed below and the remaining two option agreements were dropped by the Company.

The additional optional buyout provisions for the remaining two option agreements consist of a final cash payment of \$21,000 for one and for the second, the greater of (i) the fair market value of the surface rights as determined by an independent third party and (ii) the \$63,500 already paid by the Company.

### Exploration History

In June 2011, the Company announced that diamond drilling had commenced on the Property. This first Laurentian-managed drill program focused on the Flambeau gold target, where the presence of high grade quartz-carbonate vein arrays and bulk-tonnage style, lower-grade vein stockwork mineralization has been identified within a larger alteration system. Highlights from this program include 1.06 g/t gold over 16.57 m from hole VH11-002, as well as 0.73 g/t gold over 33.07 m and 1.35 g/t gold over 11.62 m from VH110006. Mineralization occurs at the intersection of two dominant structures, and is characterized by shear and extension vein mineralization along multiple west trending faults, and vein stockwork development along the quartz-rich phase of a diorite intrusion.

In addition to the Flambeau zone, multiple higher-grade lode gold targets exist across the Property. These include the historic Vanlas, Drake, Good Luck, Bonanza and Redeemer targets. Recent surface sampling has returned high-grade gold assays along a 5 kilometre gold trend, supporting historic, shallow drill results such as 6.7 metres grading 13.7 g/t gold from hole D-87-13 at Vanlas, and 2.0 metres grading 9.9 g/t gold at Bonanza. Using knowledge gained from surface mapping of exposures along the trend, the Company has improved understanding of controls on higher grade mineralization. This understanding may be used to further develop targets, with the intention of establishing continuity of higher-grade mineralization with future drill testing.

### **Goldpines North Joint Venture**

The Goldpines North Joint Venture ("GPNJV"), formed in March 2010, comprises 84 claims, covering a total of 17,152 hectares (ha). The GPNJV is accounted for as a jointly controlled asset in accordance with IFRS, with Kinross holding a 76% participating interest in the GPNJV and the Company holding a 24% participating interest as of March 31, 2013.

### Exploration History

Exploration on the GPNJV commenced in April 2010, and includes airborne geophysics, rock and soil geochemistry and geological mapping. In February 2011, Laurentian commenced a 2,698 metre diamond drilling program at the GPNJV, which was unsuccessful in determining the source of the extensive geochemical gold anomalies.

Subsequent work on the property has been designed to identify, prioritize and advance additional targets towards drill testing. Programs have included geochemical sampling and mapping, with a focus on the North Sea target, a large gold, arsenic and antimony anomaly located approximately 5 km north of the Pakwash anomaly, and the Kwai anomaly, a large gold geochemical soil anomaly located to the west and north of the Pakwash anomaly. These surface programs have further delineated a number of targets that warrant future drill testing.

### ***Antofagasta Alliance***

In July 2012, the Company entered into a two year strategic exploration alliance (the "Antofagasta Alliance") with Antofagasta Minerals S.A. ("Antofagasta") for generative copper exploration in southern Quebec, Canada.

Under the terms of the Antofagasta Alliance, copper exploration and/or development opportunities acquired by the Antofagasta Alliance will become Designated Properties, and will have a deemed interest of 51% and 49% for Antofagasta and Laurentian, respectively. Antofagasta may subsequently increase its interest in any Designated Property to 65% by completing US\$5,000,000 in exploration over four years and thereafter electing to form a Joint Venture with a one-time cash payment of US\$1,000,000 to Laurentian.

In the event that Antofagasta declines to exercise its option to earn 65% in a Designated Property, the interest will remain at 51% and 49% for Antofagasta and Laurentian respectively, with Laurentian maintaining control and management of the project.

The strategic exploration alliance is focused primarily on copper. If a property is declined as a Designated Property, Laurentian is free to advance that property on its own terms outside of the Antofagasta Alliance, with no further obligation to Antofagasta.

Initial exploration was directed at gaining a greater understanding of existing copper occurrences and deposits in the Gaspé region of southern Quebec. This work studied the regional and tectonic framework for porphyry copper and skarn deposits, and included a field component of rock sampling, hydrogeochemical water sampling, lithochemistry and a review of regional stream sediment surveys. The understanding has been used in targeting specific settings for further exploration activity.

Subsequent to a review of the initial water sampling program, which demonstrated anomalous pathfinder elements around known copper deposits and showings, a second program of hydrogeochemical water sampling was completed in March 2013, with a total of 53 samples collected. This program provided further guidance in targeting areas meriting further exploration activity.

The Alliance approved a three phase exploration field program, commencing in early June 2013, which includes continued project synthesis, an expanded program of wide-spaced mapping and geochemical sampling, and manipulation of existing geophysical data to define targets, with the goal of identifying a designated project. A total of 1,061 wide-spaced rock samples were collected across the area of interest, with analysis carried out by ALS Minerals using a four-acid digestion and a ICP-ES/MS finish.

The recent field work has identified a number of areas that merit further exploration. The Alliance will continue to review and interpret results from the field program with the goal of focusing future exploration activity towards the identification of a designated project.

### **Exploration Outlook**

In July 2012, Laurentian announced a two-year US\$1,500,000 strategic exploration alliance initiative with Antofagasta, focusing on generative copper exploration in southern Quebec. This alliance partners Laurentian's extensive technical and exploration expertise with Antofagasta, one of the world's largest copper producers. Laurentian initially completed a compilation study of the area of interest, including a generative field program, with the intent of identifying and acquiring at least one designated project within the first year of the alliance. Several target areas were identified for follow-up exploration, and field exploration programs were initiated to evaluate the prospectivity of these target areas. A total of 1,061 widely spaced rock samples were obtained across the area of interest, and a review and interpretation of these results is ongoing, with the objective of further advancing these prospective targets over the following year.

At the Van Horne Property, the Company has identified an alteration system with a strike length in excess of 5 kilometres, containing multiple high grade quartz-carbonate-gold vein arrays, and bulk tonnage-style, lower grade vein stockwork mineralization. Laurentian continues to explore strategic partnerships as a means to advance the project. In the event that Laurentian is unsuccessful in raising sufficient capital, or engaging a partner to advance the Van Horne Property, the Company may have to relinquish property rights on 253 ha of the 2,765 ha property.

It is anticipated that work conducted within the strategic alliance with Antofagasta will be the primary focus of exploration activity over the calendar year. Laurentian is committed to utilizing its extensive industry experience to further its strategic objectives through identification and acquisition of exceptional exploration and development opportunities.

Darin Labrenz, President and CEO of Laurentian, a member of the Association of Professional Engineers and Geoscientists of British Columbia ("APEGBC"), and a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, is responsible for the preparation of, and has verified, the technical information in this MD&A.

## Significant Accounting Policies

The Company prepares its unaudited interim consolidated financial statements in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies and methods of application applied by the Company in the condensed interim consolidated financial statements are the same as those applied in the Company's most recent annual consolidated financial statements as at March 31, 2013, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements effective April 1, 2013.

### Adoption of New and Amended IFRS Pronouncements

Effective April 1, 2013, the Company adopted several new and amended IFRS pronouncements and have applied them in accordance with the transitional provisions outlined in the respective standards. The adoption of the new and amended IFRS pronouncements will result in enhanced financial statement disclosures in the Company's interim or annual consolidated financial statements or a change in financial statement presentation. These pronouncements did not affect financial results.

More detail on these new and amended IFRS pronouncements are provided in Note 3 of the interim consolidated financial statements for the six months ended September 30, 2013.

## Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. There have been no significant changes to the Company's critical accounting estimates from those disclosed in Note 4 of the audited consolidated financial statements for the year ended March 31, 2013.

## Results of Operations

As Laurentian is in the exploration phase and its properties are in the early stages of exploration, none of the Company's properties are in production. Therefore, exploration and evaluation expenditures and administrative expenses relating to the operation of the Company's business are being expensed as incurred. Consequently, the Company's net loss is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of technical merit, the Company increases its chances of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and marketing of commodities from its mineral interest, the Company will report an annual deficit and will rely on its ability to obtain equity or debt financing to fund on-going operations.

Additional financing will be required for additional exploration and administration costs. Due to the inherent nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its share of obligations relating to mineral properties.

### Exploration Operations

Cumulative spending on each of the Company's properties as of September 30, 2013 is as follows:

	Acquisition Costs	Exploration Expenditures	As at September 30, 2013
Van Horne, Ontario	\$ 313,210	\$ 1,732,687 <sup>(1)</sup>	\$ 2,045,897
Other Properties, Canada	-	6,074,758 <sup>(2)</sup>	6,074,758
<b>Total</b>	<b>\$ 313,210</b>	<b>\$ 7,807,445</b>	<b>\$ 8,120,655</b>

<sup>(1)</sup> The Company incurred \$6,551 out of this balance during the six months ended September 30, 2013.

<sup>(2)</sup> The Company incurred \$138 out of this balance during the six months ended September 30, 2013.

Cumulative spending on each of the Company's alliance and joint venture based projects as of September 30, 2013 is as follows:

	Acquisition Costs	Exploration Expenditures <sup>(1)</sup>	As at September 30, 2013
AngloGold Alliance <sup>(2)</sup>	\$ -	\$ 3,542,448	\$ 3,542,448
AngloGold Cash Calls / Funds Used	-	(3,459,971)	(3,459,971)
Goldpines North Joint Venture ("GPNJV")	-	2,056,295	2,056,295
GPNJV Cash Calls / Funds Used	-	(1,951,781)	(1,951,781)
Antofagasta Alliance	-	784,802	784,802
Antofagasta Cash Calls / Funds Used	-	(784,802)	(784,802)
<b>Total</b>	<b>\$ -</b>	<b>\$ 186,991</b>	<b>\$ 186,991</b>

<sup>(3)</sup> As project operator, exploration expenditures for the AngloGold Alliance, Antofagasta Alliance and GPNJV include amounts incurred on behalf of the Company's partners.

<sup>(4)</sup> As at April 29, 2012, the third anniversary of the AngloGold Alliance with AngloGold Ashanti Ltd. ("AngloGold"), AngloGold advised that it will not fund future exploration projects under the AngloGold Alliance. Consequently, the Company retained 100% interest and will bear all future exploration expenditures, if any, on all the properties previously held under the AngloGold Alliance.

**For the three months ended September 30, 2013 compared to the three months ended September 30, 2012**

The Company had a net loss for the three months ended September 30, 2013 of \$82,598 compared to \$155,121 for the three months ended September 30, 2012. The decrease in the net loss of \$72,523 was primarily due to the following:

- Exploration and evaluation expenditures decreased by \$2,855 from an expenditure of \$6,995 for the three months ended September 30, 2012 to \$4,140 for the same period in 2013. The decrease was largely a result of the shift in exploration focus on the Antofagasta Alliance coupled with a reduction in exploration activities on Van Horne and other generative properties and the receipt of \$4,498 in government assistance.
- Office decreased by \$8,477 from \$20,415 for the three months ended September 30, 2012 to \$11,938 in 2013. The decrease was primarily due to the Company sub-leasing its site office in Winnipeg, Canada and consequently, resulted in a decrease in overhead costs.
- Share-based compensation recovery of \$1,783 for the three months ended September 30, 2013 compared to \$nil in 2012. The recovery was due to the reversal of \$1,783 of previously recognized share-based compensation relating to the forfeiture of 22,500 unvested stock options out of 30,000 stock options forfeited from the February 25, 2013 grant.
- Wages and consulting fees decreased by \$46,358 from \$122,247 for the three months ended September 30, 2012 to \$75,889 in 2013. The change was largely due to a general decrease in payroll as the Company significantly scaled down its operations in the current quarter ended September 30, 2013 compared to the same period in 2012.
- Other operating costs totalling \$14,326 for the three months ended September 30, 2013 increased slightly by \$1,240 from \$13,086 for the same period in 2012. The increase was primarily due to the payment of annual filing fees in July of 2013 whereas in the comparable quarter, the annual filing fees were paid in June of 2012. Other operating costs were in line with management's expectation and include: amortization, corporate listing and filing fees, investor relations, professional fees, rent and travel.

Other income consists of management and administration fees received primarily from being the operator of the strategic alliances and interest income from the Company's cash deposits and short-term investment. Management and administration fee increased by \$14,469 to \$21,786 during the three months ended September 30, 2013 from \$7,317 for the same period in 2012 primarily due to the Company's shift in exploration focus and work on the Antofagasta Alliance in the current quarter.

The decreases noted above coupled with an increase in other income of \$14,290 from \$7,622 for the quarter ended September 30, 2012 to \$21,912 for the same period in 2013 contributed to the decrease in the net loss.

**For the six months ended September 30, 2013 compared to the six months ended September 30, 2012**

The Company had a net loss for the six months ended September 30, 2013 of \$187,467 compared to \$553,860 for the six months ended September 30, 2012. The significant decrease in the net loss of \$366,393 was primarily due to the following:

- Exploration and evaluation expenditures decreased by \$209,278 from an expenditure of \$215,967 for the six months ended September 30, 2012 to \$6,689 for the same period in 2013. The decrease was largely a result of the shift in exploration focus on the Antofagasta Alliance coupled with a reduction in exploration activities on Van Horne and other generative properties and cessation of work on

Thundercloud. The receipt of \$4,498 in government assistance also contributed to the overall decrease in exploration and evaluation expenditures.

- Office decreased by \$11,157 from \$36,631 for the six months ended September 30, 2012 to \$25,474 in 2013. The decrease was primarily due to the Company sub-leasing its site office in Winnipeg, Canada and consequently, resulted in a decrease in overhead costs.
- Wages and consulting fees decreased by \$96,725 from \$265,910 for the six months ended September 30, 2012 to \$169,185 in 2013. The change was largely due to a general decrease in payroll and consulting fees as the Company scaled down its administrative costs. In addition, the Company allocated certain of its resources to the Antofagasta Alliance as part of its shift in focus noted above during the period ended September 30, 2013 compared to the same period in 2012.
- Other operating costs totalling \$25,804 for the six months ended September 30, 2013 decreased by \$18,574 from \$44,378 for the same period in 2012. The decrease was primarily a result of the Company's efforts to continue to conserve capital by reducing overhead and administrative expenses. Other operating costs include: amortization, corporate listing and filing fees, investor relations, professional fees, rent, share-based compensation expense and travel.

Other income consists of management and administration fees received primarily from being the operator of the strategic alliances and interest income from the Company's cash deposits and short-term investment. Management and administration fee increased by \$30,837 to \$39,228 during the six months ended September 30, 2013 from \$8,391 for the same period in 2012 primarily due to the Company's shift in exploration focus and work on the Antofagasta Alliance during the current period.

The decreases noted above coupled with an increase in other income of \$30,659 from \$9,026 for the six months ended September 30, 2012 to \$39,685 for the same period in 2013 contributed to the significant decrease in the net loss.

### Summary of Quarterly Results

	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
Income from management and administration fees	\$21,786	\$17,442	\$8,376	\$12,944	\$7,317	\$1,074	\$30,968	\$29,752
Net Loss and comprehensive loss	\$(82,598)	\$(104,869)	\$(764,074)	\$(339,813)	\$(155,121)	\$(398,739)	\$(2,249)	\$(599,676)
Basic and diluted loss per share	\$(0.01)	\$(0.01)	\$(0.09)	\$(0.05)	\$(0.03)	\$(0.06)	\$(0.00)	\$(0.10)
Total Assets	\$643,348	\$755,031	\$868,522	\$1,264,763	\$1,429,367	\$1,471,438	\$1,846,298	\$1,975,337
Exploration and evaluation assets	\$313,210	\$313,210	\$313,210	\$859,810	\$1,037,310	\$1,037,310	\$984,090	\$1,103,090
Equity	\$559,913	\$644,294	\$747,095	\$794,435	\$1,134,248	\$1,289,369	\$1,662,888	\$1,654,159

The table above summarizes selected unaudited financial data reported by the Company for the quarter ended September 30, 2013 and the previous seven quarters in Canadian dollars and a discussion of the significant variances between quarters is as follows:

- The Company's quarterly results for the three months ended September 30, 2013 and June 30, 2013 stayed relatively consistent as there were no significant transactions between the two quarters.
- The most notable change between the quarters ended June 30, 2013 and March 31, 2013 is the significant decrease in the net loss of \$659,205. The substantial decrease was largely due to the \$546,600 write down of capitalized acquisitions during the quarter ended March 31, 2013 described below compared to no write-downs for the quarter ended June 30, 2013 and the Company's continued implementation of measures to reduce operating costs.
- The Company's net loss increased significantly by \$424,261 for the quarter ended March 31, 2013 compared to the quarter ended December 31, 2012 mainly due to the write-off of the Maze Lake acquisition costs and a portion of the Van Horne acquisition costs totalling \$546,600. These write-offs were offset by the \$100,000 option payment received from Pershimco with respect to the sale of the Belcourt property. The write-off of acquisition costs during the quarter ended March 31, 2013 also explains the reason for the decreases in both total assets and equity when compared to the quarter ended December 31, 2012.
- The Company's net loss increased significantly by \$184,692 for the three months ended December 31, 2012 when compared to the quarter ended September 30, 2012 primarily due to the write-off of the Thundercloud acquisition costs (\$177,500) which also explains the decreases in exploration and evaluation assets and equity balances.
- The Company's net loss for the three months ended September 30, 2012 decreased by \$243,618 when compared to the net loss for the three months ended June 30, 2012 primarily due to the Company's continued efforts to conserve cash and curtail operating expenditures in a prevailing depressed venture capital market.
- The Company's net loss for the three months ended June 30, 2012 increased by \$396,490 compared to the quarter ended March 31, 2012 as there were no option payment and mineral exploration tax credits received during the quarter ended June 30, 2012. Contributing to a higher net loss in the quarter ended June 30, 2012 is the reduction of \$29,894 in income from management and administration fees as a result of less exploration and evaluation work performed on the GPNJV and cessation of the AngloGold Alliance during the three month period ended June 30, 2012.
- The Company's net loss for the three months ended March 31, 2012 decreased by \$597,427 compared to the three months ended December 31, 2011 mainly because of the \$270,000 option payment received from Pershimco and \$238,610 of mineral exploration tax credits which were recorded against exploration and evaluation expenditures during the three months ended March 31, 2012.

## Liquidity and Capital Resources

As of September 30, 2013, the Company had \$194,025 in cash and \$35,000 in short-term investments. Any surplus funds are invested only with approved commercial banks. The Company does not have any cash inflow from operations due to the fact that it is an exploration stage company and therefore financings have been the sole source of funds in the past few years.

At September 30, 2013, the Company had working capital of \$223,345. In the opinion of management, the Company will need to raise additional funds as Laurentian's capital is insufficient to support general administrative and corporate operating requirements on an ongoing basis for the next twelve months,

advance the Van Horne property and further its strategic objectives through the identification and acquisition of exceptional exploration and development opportunities,.

Given the volatility in equity markets, global uncertainty in economic conditions, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets such that the Company has sufficient liquidity to support its growth strategy.

## **Liquidity Outlook**

The Company's cash position is highly dependent on the Company's ability to raise cash through financings and the expenditures on its exploration programs. Capital expenditures are not expected to have any material impact on liquidity.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities and from optioning its resource properties. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, the experience and calibre of its management, and the progress of exploration activities. Actual funding requirements may vary from those planned due to these factors noted above. Management believes it will be able to raise equity capital as required in the long term, but recognizes that there will be risks involved which may be beyond its control.

Currently, the main focus of the Company is on its generative exploration projects, in particular the newly formed Antofagasta Strategic Alliance in Quebec. The Company will also continue additional generative exploration efforts in order to identify and acquire any new projects of merit. Further exploration activities are dependent on the Company obtaining financing to meet its planned exploration activities. Although management has been successful in the past when raising additional financing, there can be no assurance they will be successful in the future.

Based on current and planned exploration programs, the Company will need to complete an external financing. As results of current exploration are determined and other opportunities become available to the Company, management will be required to obtain additional financing.

This outlook is based on the Company's current financial position and is subject to change if opportunities become available based on current exploration program results and/or external opportunities. At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

### Going Concern

The interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue and has an accumulated deficit of \$15,467,178 at September 30, 2013. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its various projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

The interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

## Risks and Uncertainties

The risks and uncertainties faced by the Company are substantially unchanged from those disclosed in the Company's Annual MD&A dated July 4, 2013.

## Dividends

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

## Nature of the Securities

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

## Proposed Transactions

To the best of management's knowledge, there are currently no proposed transactions.

## Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning Laurentian's general and administrative expenses and exploration and evaluation expenses is provided in the Company's Statements of Loss and Comprehensive Loss contained in its audited consolidated financial statements for the years ended March 31, 2013 and 2012 which is available on Laurentian's website at [www.laurentiangoldfields.com](http://www.laurentiangoldfields.com) or on its profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## Outstanding Share Data

Laurentian's authorized capital is unlimited common shares without par value. As at November 29, 2013, the following common shares, stock options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares	9,353,190	N/A	N/A
Stock Options	52,500	\$0.20	August 11, 2014
	40,000	\$0.20	January 21, 2016
	50,000	\$0.20	March 11, 2016
	390,000	\$0.20	February 25, 2018
Share Purchase Warrants	2,679,500	\$0.30	January 7, 2015
	500,000	\$0.30	March 20, 2015
Fully Diluted	13,065,190		

## Related Party Transactions

The nature of the Company's relationships with its related parties and amounts paid to those related parties are as follows:

### a. Related Parties

As at September 30, 2013, the Company's related parties consist of a Director of the Company, the President and Chief Executive Officer ("CEO"), a company controlled by the Company's Chief Financial Officer ("CFO"), and a company controlled by the Company's Vice-President of Exploration.

	Nature of Relationship
Director	Consulting
President and CEO	Management
0869007 B.C. Ltd.	Management
Sunjem Consulting Ltd.	Management

The Company incurred or accrued fees and expenses with the related parties and the amounts outstanding are unsecured, non-interest bearing and due on demand.

Name	Personal Corporation	Nature of Fees	September 30, 2013	September 30, 2012
Darin Labrenz, President and CEO	N/A	(i)	\$ 85,000	\$ 85,000
Nick Corea, CFO	0869007 B.C. Ltd.	(i)	18,000	18,000
Mark Pryor, VP of Exploration	Sunjem Consulting Ltd.	(i)	30,000	30,000
Brian Fowler, Director	N/A	(ii)	30,000	30,000
<b>Total</b>		(iii)	<b>\$ 163,000</b>	<b>\$ 163,000</b>

- (i) During the period ended September 30, 2013, the Company paid or accrued management fees of \$85,000 (2012 - \$85,000) to the President and CEO; \$18,000 (2012 - \$18,000) to a company controlled by the Company's CFO; and \$30,000 (2012 - \$30,000) to a company controlled by the Company's Vice-President of Exploration.
- (ii) During the period ended September 30, 2013, the Company paid or accrued \$30,000 (2012 - \$30,000) to a Director of the Company for consulting services performed outside his capacity as a director.
- (iii) The total amount included in wages and consulting fees is \$112,213 (2012 - \$135,956), \$nil (2012 - \$13,220) in exploration and evaluation expenditures as geological consulting; and \$50,787 (2012 - \$13,824) in the Antofagasta Alliance as geological consulting.

Included in accounts payable and accrued liabilities at September 30, 2013 are:

- \$5,000 (March 31, 2013 - \$5,600) owing to a director of the Company; and
- \$15,434 (March 31, 2013 - \$17,514) owing to the Company's President and CEO

**b. Compensation of Key Management Personnel**

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The remuneration of the Company's key management personnel for the six months ended September 30, 2013 and September 30, 2012 are as follows:

	Note	<b>September 30, 2013</b>	September 30, 2012
Management and consulting fees	(i)	<b>\$ 163,000</b>	\$ 163,000
		<b>\$ 163,000</b>	\$ 163,000

(i) Management and consulting fees include fees disclosed in items a(i) and a(ii) above.

Key management personnel were not entitled to post-employment, termination or other long-term benefits during the periods ended September 30, 2013 and 2012.

**Off-Balance Sheet Arrangements**

The Company had no off-balance sheet arrangements as at September 30, 2013 or as at the date hereof.

**Financial Instruments and Other Instruments**

The Company's financial instruments consist of cash, restricted cash, short-term investments, amounts receivable (excluding sales tax receivable), and accounts payable and accrued liabilities.

Cash, restricted cash, short-term investment, and amounts receivable (excluding sales tax receivable) are classified as loans and receivables and accounts payable and accrued liabilities are classified as borrowings and other financial liabilities. Loans and receivables and borrowings and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost.

As of September 30, 2013, the statement of financial position carrying amounts of these financial instruments closely approximate their fair values, except for accounts payable and accrued liabilities where the fair value may be less than carrying amounts due to liquidity risks. The Company held no derivative financial instruments.

Additional disclosure on financial instruments and management of financial risks management is provided in Note 14 of the Company's audited consolidated financial statements for the year ended March 31, 2013.

**Management of Capital**

The Company primarily considers shareholders' equity in the management of its capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support exploration and development of mineral properties. The Board of Directors has not established quantitative capital structure criteria management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company's objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance of the Company's existing properties, and to acquire, explore, and develop other precious and base metal deposits.
- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk and loss of principal.
- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

The properties in which the Company currently holds an interest in are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and attempts to raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

In order to facilitate the management of capital and development of its mineral properties, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed and approved by the Company's Board of Directors. In addition, the Company may issue new equity, incur additional debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. When applicable, the Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize on-going development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

There were no changes in the Company's approach to capital management during the six months ended September 30, 2013 compared to the year ended March 31, 2013. The Company is not subject to externally imposed capital requirements.

## **Recent Developments and Outlook**

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

## Management's Responsibility for the Financial Statements

The preparation and presentation of the accompanying financial statements, MD&A and all financial information in the financial statements are the responsibility of management and have been approved by the Audit Committee of the Board of Directors. The financial statements have been prepared in accordance with IFRS. Financial statements by nature are not precise since they include amounts based upon estimates and judgments. When alternative treatments exist, management has chosen those it deems to be the most appropriate in the circumstances.

Management, under the supervision of and with the participation of the CEO and the CFO, have a process in place to evaluate disclosure controls and procedures and internal control over financial reporting as required by Canadian securities regulations. The CEO and CFO will certify the annual filings with the CSA as required in Canada by National Instrument ("NI") 52-109 (Certification of Disclosure in an Issuer's Annual and Interim Filings). The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee which is independent from management. The Audit Committee is appointed by the Board of Directors and reviews the financial statements and MD&A; considers the report of the external auditors; assesses the adequacy of management's assessment over internal controls described below; examines and approves the fees and expenses for the audit services; and recommends the independent auditors to the Board for the appointment by the shareholders. The independent auditors have full and free access to the Audit Committee and meet with it to discuss their audit work, our internal control over financial reporting and financial reporting matters. The Audit Committee reports its findings to the Board of Directors for consideration when approving the financial statements for issuance to the shareholders and also management's report on Internal Control over Financial Reporting. Management is responsible for establishing and maintaining adequate internal control over financial reporting.

## Controls and Procedures

In connection with NI 52-109, the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim consolidated financial statements and respective accompanying MD&A as at September 30, 2013 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at [www.sedar.com](http://www.sedar.com).

## Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

TSX-V listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of

(a) 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 (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. 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 their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V 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.

## Cautionary Statement on Forward-Looking Information

The Company's unaudited condensed interim consolidated financial statements for the six months ended September 30, 2013 and this accompanying MD&A contain certain information that may be deemed "forward-looking statements." All statements in this document, other than statements of historical fact, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential," "interprets," and similar expressions, or that events or conditions "will," "would," "may," "could," or "should" occur. Forward-looking information in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, the possibility that future exploration and development results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties. In addition, forward-looking statements are based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within Canada and the various provinces in Canada will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change except as required by law.

## Approval

The Board of Directors of Laurentian Goldfields Ltd. have approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

## Additional Information

Additional information relating to Laurentian Goldfields Ltd. can be obtained on the SEDAR website at [www.sedar.com](http://www.sedar.com) or by contacting:

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**LAURENTIAN GOLDFIELDS LTD.**

/s/ "Darin Labrenz"  
Darin Labrenz  
President and Chief Executive Officer

**LAURENTIAN GOLDFIELDS LTD.**

/s/ "Nick Corea"  
Nick Corea  
Chief Financial Officer