WESTMINSTER RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED

FEBRUARY 28, 2015

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and in other countries; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

1.1 Date

The following management's discussion and analysis ("MD&A"), which is dated April 29, 2015, provides a review of the activities, results of operations and financial condition of Westminster Resources Ltd. ("the Company" or "Westminster"), as at the three months ended February 28, 2015, as well as future prospects of the Company. This MD&A should be read in conjunction with the unaudited interim condensed financial statements of the Company as at and for the three months February 28, 2015 (the "Interim Financial Statements"), together with the MD&A and audited financial statements of the Company as at and for the year ended May 31, 2014. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise specified (the Company's financial statements are prepared in Canadian dollars). Additional information relating to the Company is available on SEDAR at www.sedar.com.

1.2 Overall Performance

1.2.1 Introduction

Westminster is a resource company that is conducting exploration in Sonora state, Mexico through its wholly-owned integrated subsidiaries, Minera Westminster, S.A. de C.V. ("Minera Westminster") and Servicios Westminster, S.A. de C.V. ("Servicios Westminster"). The Company has active exploration interests in two distinct locations in Sonora; the El Cobre property near Obregon and the Navojoa area located to the South. These areas of mineral concessions, which have been acquired by staking, option agreements and through outright purchases, are prospective for gold, copper and silver.

Within the El Cobre property, which covers an area of 31,337 hectares, projects include North Guayacan, South Guayacan, and the 10,000-hectare Cumbral-San Bartolo project. Mineralization in this area is characterized by high grade gold-copper-silver veins, breccias, and diatremes associated with porphyry deposit-style mineralized systems and hematite-magnetite-sericitized zones and structures containing copper-gold mineralization having similarities with iron oxide copper gold ("IOCG") deposit styles. The ground which comprises the El Cobre property, before the Company initiated its exploration program, had not been explored previously neither using modern exploration methodologies nor previously drill tested.

The Navojoa property (13,398 hectares), to the south of the El Cobre, has widespread mineralized skarns and surface alterations that suggest the potential of at least three separate distinct porphyry systems. Limited drilling by the Company has identified silver-copper-zinc zones in pyrrhotite massive sulphide replacement styles of mineralization hosted in an extensive marble unit.

1.2.2 Financial conditions

At February 28, 2015, the Company had no long-term debt and its credit and interest rate risks are limited to interest bearing assets of cash and cash equivalents.

At February 28, 2015, the Company had $40,545 in cash (May 31, 2014 - $48,136) and working capital deficiency of $35,128 (May 31, 2014 – of $320,424).

On February 3, 2015, the Company closed a non-brokered private placement of 14,600,000 units at $0.05 per unit to raise gross proceeds of $730,000. Each unit comprises of one common share and one common share purchase warrant. Two common share purchase warrants will entitle the holder to purchase one common share at $0.10 per share until February 3, 2017. Finder's fees totaling $26,400 were paid.

On June 6, 2014, the Company closed a non-brokered private placement of 635,000 units at $0.50 per unit to raise gross proceeds of $317,500. Each unit comprises one common share and one-half of one common share purchase warrant. Each full common share warrant entitles holder to purchase one common share at $1.00 per share until June 6, 2016.

On October 20, 2014, the Company announced that it would be immediately filing for, and seeking approval of, documents relating to the consolidation of the company's issued and outstanding share capital with the TSX Venture Exchange. The TSX Venture Exchange approved this consolidation on November 7, 2014, and on November 10, 2014 the Company's common shares began trading on the basis of one post-consolidation common share for every 10 pre-consolidation common shares. This consolidation will reduce the issued and outstanding shares of the company from 113,272,926 to 11,327,292 shares, assuming no other change in the issued capital. The company's outstanding options and warrants will also be adjusted on the same basis (1 for 10) as the common shares, with proportionate adjustments being made to exercise prices.

The Company's management believes that the proposed share consolidation will better position the company to raise the funds it requires to finance continuing business activities and advance its mineral properties.

1.2.3 Outlook

For fiscal 2015, the Company will focus its priorities as follows:

- Raise additional funding and/or industry partnership to continue the comprehensive exploration programs on Guayacan South, Guayacan North, Sierra and on the Navojoa projects in Sonora State, Mexico.

- Conduct a detailed review of the airborne VTEM and Magnetometer surveys that were completed over the entire El Cobre property.

- Continue to review all the 3D – IP and Mag Survey information and Phase One and Phase Two drill results completed to date on the Cumbral – San Bartolo Project.

- Fund and complete an exploration program of mapping, trenching, geophysics and drilling at the Sierra Prospect.

Exploration Highlights – 2014

Cumbral-San Bartolo Project

In 2014 Capstone Mining Corp. elected to manage and direct a diamond drill program on the project. Numerous targets were selected across the property and tested by 14 core diamond drill holes totalling 3,774 meters. The results of the drilling confirmed that the Montoso is a large porphyry system. Results overall were encouraging although no economic intercepts were encountered; consequently Capstone notified the Company that it was terminating the option agreement. Currently the Company is reviewing the data and analyzing undrilled targets.

Sierra Target

During mid 2013, and reported in press release 13-05 on October 18, 2013, field crews discovered the "Sierra Target" on the Company's 100% owned El Cobre property Sonora, Mexico. The new Sierra Target consists of hydrothermal breccias, with diatreme characteristics and occurs in Miocene volcanic units at an elevation of some 700 meters above, and further to the West of Westminster's Montoso porphyry system currently owned 51% by Westminster and

49% by Capstone Mining Corp. Seventeen grab samples were collected and assayed using various ore grade methods which determined an average grade of 4.8% copper, 101 g/t silver (400 g/t cutoff) and 4.4 g/t gold. The slabbed rock samples contained no obvious sulphides but were rich in barium and iron (hematite ranging from about 3% to 12% Fe). The accompanying table C shows the highest contents of silver assayed 1,479 g/t (47.4 oz/t), gold 21.79 g/t (0.69 oz/t) and copper 10.2% with these values reported from 3 different samples. These breccias also appear to be rich in bismuth, mercury and tungsten and represent a new deposit type for the Company's Sonora properties.
See http://www.westminsterres.com/s/El_Cobre_Property.asp?ReportID=607894

The steeply dipping breccias appear to be in a fluidized zone where crackle, jigsaw and rock flour cemented matrix textures are present. The variable nature of the clasts is very evident as some are green colored with malachite or chrysocolla while other samples without significant copper oxides also contain high percentage grades of copper. Two separate exposures about 150 meters apart were likely explored in the 1950s by hand mining for the high-grade silver in brecciated material.

The company plans to further map and systematically sample the target area. The previously flown VTEM and MAGNETIC Surveys have identified conductive and high-low magnetic patterns, which may indicate hydrothermal activity in the area, associated with the breccia-hosted mineralization.

Sample	Unit MDL* Type	**Ag** g/t 2	**Ag** g/t 2	**Au** g/t 0.2	**Cu** % 0.001	**Fe** % 0.01
518541	Rock	18.46	18.46	1.54	**0.72**	8.73
518542	Rock	129.16	129.16	13.02	**7.85**	6.41
518543	Rock	29.09	29.09	7.76	**6.10**	4.02
518544	Rock	53.48	53.48	3.92	**4.11**	7.08
518545	Rock	16.39	16.39	1.58	**4.01**	9.93
5017023	Rock	57.40	57.40	4.02	**1.18**	11.05
5017024	Rock	61.60	61.60	4.10	**1.00**	10.88
5017025	Rock	34.90	34.90	21.79	**6.96**	9.44
5017026	Rock	21.70	21.70	0.11	**1.42**	4.23
5017027	Rock	14.00	14.00	2.39	**4.46**	10.38
5017028	Rock	394.00	394.00	1.42	**8.53**	6.13
5017029	Rock	34.80	34.80	0.33	**8.56**	1.49
5017030	Rock	314.00	314.00	1.93	**4.08**	5.96
5017031	Rock	31.45	31.45	5.10	**10.17**	2.99
517020	Rock	1,479.00	400.00	5.42	**4.42**	12.44
517021	Rock	19.90	19.90	0.81	**2.67**	9.25
517022	Rock	88.10	88.10	0.06	**5.91**	3.06
		2,797.43	**1,718.43** (400 g/t cutoff)	**75.29**	**82.12**	**123.47**
Averages		**164.55 g/t**	**101.08 g/t**	**4.43 g/t**	**4.83%**	**7.26%**

Samples are high in Bi, Hg, W, minor base metals 0.1%, no As, Sb, Te pathfinders.
*MDL: Minimum Detection Limit

The Sierra target was revisited in the summer of 2014 and crews prepared the site for further exploration planned for fiscal 2015.

Guayacan

In the Northwest corner of the El Cobre property the Guayacan copper gold prospect has been expanded by extensive soil sampling and prospecting. Exposures of copper silver and gold mineralization related to pink granite intrusive bodies have been identified along a strike length of 4 kilometers. Follow up of soil anomalies and outcrop is planned for the coming fiscal year.

Navojoa Project

During the preliminary exploration program, the Company focused its drill program on targeting outcropping gold-copper skarn bodies and also areas where an Induced Polarization (IP) geophysical survey chargeability anomaly had been interpreted as a response to elevated levels of sulphide mineralization. The anomalous IP response underlies rusty, leached, iron oxide capping outcrop and includes a presumed supergene enriched blanket preserved under flat lying young Tertiary volcanic cover adjacent to the exposed leached areas.

In 2010, regional exploration consisting of geological mapping, at various scales, prospecting and rock sampling was completed. Additionally, complete coverage of the property's drainage system was sampled by 390 stream sediment silt samples. In the area of the La Mora gold copper skarn target a detailed regional soil grid was surveyed using conventional soil sample techniques and Activation Laboratory soil gas hydrocarbon methods. At the La Mora area both types of soil survey methods produced significant copper gold anomalies, which need follow-up. The regional sediment program produced distinctive geochemical patterns for gold, silver and coincident copper-gold-silver anomalies. Prospecting and rock sampling also identified new mineralized zones worthy of follow-up. A diamond core drilling program of approximately 502 meters in 7 holes was completed in the Summer of 2011 at the saddle area where outcropping replacement sulphides in a marble unit occurs. Assay results were press released on October 4, 2011. Sulphide intercepts were found to be contained near surface above a fault. The most significant intercept was found in Hole 11-01 at 22-23 meters where massive pyrrhotite graded 0.43% copper, 8.85% zinc and 8.9 grams silver per tonne over one meter. Subsequent to drilling the Company received the interpretation of airborne geophysical survey results from the area that indicated that two other much larger VTEM and coincident magnetic anomalies that appear to be not fault bounded are situated just to the east of the Saddle prospect. Further ground magnetic surveys were completed with mixed results.

Management has determined that given the results to date that it was no longer in the best interests of the Company to continue with the Fafy and Yorigiobe exploitation and purchase option agreements particularly in view of the large cash option payments and the concession holders unwillingness to renegotiate acceptable terms. On June 12, 2012, termination notices were delivered to the domicile of the concessionaires. The Company has accordingly recorded $1,140,000 write-down on the Fafy and Yorigiobe concessions for the year ending May 31, 2012.

1.3 Selected Annual Financial Information

The following table presents selected financial information for the last three fiscal years ended May 31, 2014, 2013 and 2012.

	2014 -$-	**2013** -$-	**2012** -$-
Revenue	-	-	-
Net and comprehensive loss	(1,722,261)	(1,166,062)	(4,899,993)
Basic and diluted loss per share	(0.02)	(0.01)	(0.07)
Total assets	3,333,253	3,551,300	3,388,090
Total long-term financial liabilities	-	-	-

1.4 Results of Operations

For the three months ended February 28, 2015 the Company reported a net loss of $378,089 or $0.02 per share, compared to a net loss of $555,068 or $0.06 per share for the nine months ended February 28, 2014. During the third quarter of fiscal 2015, significant changes in expenses occurred in the expense categories described below as compared to the third quarter of fiscal 2014. Overall the expenses were decreased by $176,979 in the first nine months of fiscal 2015 from $555,068 in the first nine months of fiscal 2014 in order to preserve existing cash.

Foreign exchange gain

Foreign exchange gain decreased to $33,750 in the first quarter of fiscal 2015 from $253,871 in the first quarter of fiscal 2014 due to changes in the Mexican peso exchange rate.

1.5 Summary of Quarterly Results

The following table sets out certain unaudited financial information of the Company for each of the last eight quarters, beginning with the third quarter of fiscal 2013. This financial information has been prepared in accordance International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB").

	Q3 2015 -$-	**Q2 2015** -$-	**Q1 2015** -$-	**Q4 2014** -$-
Net revenues	-	-	-	-
Net income (loss)	(135,525)	(216,654)	(161,595)	(1,118,931)
Per share	(0.01)	(0.02)	(0.01)	(0.10)
	Q3 2014 -$-	**Q2 2014** -$-	**Q1 2014** -$-	**Q4 2013** -$-
Net revenues	-	-	-	-
Net income (loss)	(166,410)	(459,248)	(22,328)	(227,580)
Per share	(0.02)	0.05	(0.00)	(0.03)

Quarterly results are highly variable for exploration companies depending on whether the company has any property write-downs or share-based payments expenses.

1.6 Liquidity

The activities of the Company, principally the acquisition of mineral properties and exploration thereon, are financed through the completion of equity offerings involving the sale of equity securities. These equity offerings generally include private placements and the exercise of warrants and options.

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On June 6, 2014, the Company closed a non-brokered private placement of 635,000 units at $0.50 per unit to raise gross proceeds of $317,500. Each unit comprises one common share and one-half of one common share purchase warrant. Each full common share warrant entitles holder to purchase one common share at $1.00 per share until June 6, 2016.

At February 28, 2015, there were 430,000 options outstanding at an average exercise price of $2.10 and 317,500 share purchase warrants at exercise price of $1.00.

At February 28, 2015, the Company had $40,545 in cash and cash equivalents (May 31, 2014 - $48,136)

1.7 Capital Resources

The Company's capital resource requirements are dependent on the development stages of its respective properties.

The Company's long-term contractual obligations include an office lease totalling $5,597 per month starting from August 1, 2013 for a three-year term.

1.8 Off-Balance Sheet Arrangements

None.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling the activities of the entity, and include all directors and officers. Key management compensation during the three months ended February 28, 2015 and 2014 were as follows:

	2015 -$-	**2014** -$-
Short-term benefits	39,000	39,000
Share-based payments	-	-
Total	39,000	39,000

1.10 Fourth Quarter

Not applicable.

1.11 Proposed Transaction

To the best of Management's knowledge, there are no proposed transactions that will materially affect the performance or operation of the Company.

1.12 Critical Accounting Estimates

The Company's significant accounting policies are contained in Note 3 to the audited financial statements for the year ended May 31, 2014. The preparation of the Annual financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates and underlying assumptions are reviewed on an ongoing basis. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Annual Financial Statements included the following:

Provisions and contingencies

The amount recognized as provision, including legal, contractual and other exposures or obligations, is the best estimate of the consideration required to settle the related liability, including any related interest charges, taking into account the risks and uncertainties surrounding the obligation. In addition, contingencies will only be resolved when one or more future events occur or fail to occur. Therefore assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. The Company assesses its liabilities and contingencies based upon the best information available, relevant tax laws and other appropriate requirements.

Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of comprehensive income (loss) during the period the new information becomes available.

Impairment

Assets, including property, plant and equipment, exploration and evaluation, mines under construction and mineral properties, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the fair value often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, rehabilitation and restoration costs, future capital requirements and future operating performance. Changes in such estimates could impact recoverable values of these assets. Management reviews estimates regularly.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Under IFRS, the

Company is required to estimate the number of forfeitures likely to occur on grant date and reflect this in the share-based payment expense revising for actual experiences in subsequent periods.

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

1.13 Recent Accounting Pronouncements

The following new standards and interpretations have been issued by the IASB, but are not yet effective:

IFRS 9 *Financial Instruments*

IFRS 9 is part of the IASB's wider project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 retains, but simplifies, the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for the Company beginning June 1, 2015. The Company is in the process of evaluating the impact of the new standard.

IFRS 10 *Consolidated Financial Statements*

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation - Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements*.

IFRS 11 *Joint Arrangements*

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers*.

IFRS 13 *Fair Value Measurement*

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

1.14 Financial Instruments and Other Instruments

The Company has designated its cash and cash equivalents as FVTPL; deposits, as held-to-maturity; and accounts payable and loan payable, as other financial liabilities.

Fair Value

The carrying values of current deposits and accounts payable approximate their fair values due to the short-term maturity of these financial instruments. The fair value of the non-current deposits also approximates its carrying value.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk with respect to its cash and cash equivalents, accounts receivable and deposits. The Company limits exposure to credit risk by maintaining its cash and cash equivalents and deposits with major financial institutions. The Company is not exposed to significant credit risk on its accounts receivable, as the entire balance is due from government agencies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will significantly fluctuate due to changes in market interest rates. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.

Currency Risk

The Company is exposed to currency risk to the extent that expenditures incurred by the Company are denominated in currencies other than the Canadian dollar (primarily Mexican pesos). The Company does not manage currency risk through hedging or other currency management tools.

Market Price Risk

Market price risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The Company is exposed to significant market price risk with respect to its marketable securities, as they are carried at fair values based on quoted market prices.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

1.16 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company’s capital is comprised of share capital and loans payable.

There were no changes in the Company's approach to capital management during the three months ended February 28, 2015.

The Company is not subject to any externally imposed capital requirements.

1.15 Other MD&A Requirements

Disclosure of Outstanding Share Data

At February 28, 2015, there were 25,927,293 outstanding common shares, 430,000 outstanding stock options and 7,617,500 share purchase warrants.

Risks and uncertainties

The Company is in the business of acquiring, exploring and, if warranted, developing mineral properties, which is a highly speculative endeavour, and the Company's future performance may be affected by events, risks or uncertainties that are outside of the Company's control.

The Company's management consider the risks set out below to be the most significant to potential investors of the Company, but not all risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected.

In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Foreign Operations

The Company has beneficial ownership of mineral interests in Mexico, and thus be exposed to various degrees of political, economic and other risks and uncertainties. In particular, the Company's operations and investments if applicable, may be affected by the local and governing political and economic developments including and not limited to: expropriation, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitation on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by laws of Canada affecting foreign trade, investment and taxation.

Limited Operating History

The Company is still in an early stage of development. The Company is engaged in the business of acquiring, exploring and, if warranted, developing mineral properties in the hope of locating economic deposits of minerals. The Company's mineral interests are in the early stages of exploration and are without a known deposit of commercial ore. The Company has no history of earnings. There is no guarantee that economic quantities of mineral reserves will be discovered on the Company's property.

Exploration and Development Risks

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market and mineral price fluctuations, particular attributes of any deposits (including size and grade), the proximity and capacity of milling facilities, mineral markets and processing equipment, and other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not having an adequate return on investment.

The Company’s mineral properties are in the exploration stage only and are without proven bodies of commercial minerals. Development of any property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

There is no assurance that the Company's mineral exploration activities and, if warranted, its development activities will result in any discoveries of commercial bodies any minerals. The long-term profitability of the Corporation's operations will, in part, be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Mineral Titles

No assurances can be given that title defects to the Company's mineral interests do not exist. The Company's current mineral properties and other properties it may from time to time acquire an interest in, may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title and interest in and to the properties.

Loss of Interest in Properties

The Company may acquire properties, which require the Company to make certain additional payments in order to maintain its interests. The Company's ability to acquire or maintain those interests will be dependent on its ability to raise additional funds by equity and/or debt financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required for the acquisition of its interests in certain properties and could result in delay or postponement of further exploration and the partial or total loss of the Company's interest in such properties.

Permits and Government Regulations

The future operations of the Company will require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing exploration, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on any of its properties.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be temporarily withdrawn where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the acquired properties or non-compliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors, from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable standards. There is a risk that environmental laws and regulations may become more onerous, and thus raising the costs of operations.

Competition

The resource industry is intensely competitive in all of its phases. The Company competes with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could adversely affect the Company's ability to acquire suitable properties or prospects for exploration in the future.

Management

The success of the Company is currently dependant on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance that the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. At this date there are no indications that any change in management cannot be maintained at the current structure.

Conflicts of Interest

Various of the Company’s directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other companies involved in the acquisition, exploration and development of mineral resource properties and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company’s directors and officers are aware of the laws governing accountability of directors and officers for corporate opportunity and the requirement of directors to disclose conflicts of interest. The Corporation will rely upon these laws in respect of any directors’ and officers’ conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of base and precious metals. The price of those commodities has fluctuated widely, and is affected by numerous factors beyond the Company's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot be accurately predicted.

Additional Funding Requirements

From time to time, the Company will require additional financing in order to carry out its acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If the Company's cash flow from operations is not sufficient to satisfy its capital or resource expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or be available on favourable terms.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Any quoted market for the Company’s securities may be subject to such market trends and that the value of such securities may be affected accordingly.

Further Information

Additional information about the Company is available at the Company’s website http://www.westminsterres.com.