OBAN MINING CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2015 and 2014

*The following discussion and analysis is management's assessment of the results and financial condition of Oban Mining Corporation, ("**Oban**" or the "**Corporation**") and it should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements for the three and six month period ended June 30, 2015 and 2014 and the notes thereto. The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and all dollar amounts are in Canadian dollars, unless otherwise noted. The date of this management's discussion and analysis (**"MD&A")** is August 11th, 2015. This MD&A and the related financial statements are available under the Corporation's issuer profile on SEDAR at www.sedar.com and on the Corporation's website at www.obanmining.com.*

*Certain scientific and technical information in this MD&A was derived from the technical report titled "NI 43-101 Technical Report for the Miller Gold Property, Kirkland Lake, Ontario, Canada" dated February 23rd, 2015 and effective March 29th, 2015 (the "**Miller Technical Report**"). The Technical Report was prepared by Trevor Boyd, BSc (Hons), PhD, P.Geo and Julie Selway, BSc (Hons), PhD, P.Geo from Caracle Creek International Consulting Inc. The Technical Report is available on SEDAR at www.sedar.com, and on the Corporation's website at www.obanmining.com.*

Mr. Gernot Wober, B.Sc., P.Geol. Vice President - Exploration of the Corporation., a resident of Ontario and a Professional Geologist registered with the Professional Engineers and Geoscientists of British Columbia and a "Qualified Person" within the meaning of NI 43-101, has reviewed and approved the technical information in this MD&A with respect to all the Corporations' properties including the Miller Project.

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

FORWARD-LOOKING INFORMATION

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

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

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

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

UPDATES

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

On February 2, 2015, the Corporation signed an option agreement with Ashley Gold Mines Ltd. entitling the Corporation to earn a 100% interest in their Hunter Property, located on the Catharine Township, south of Kirkland Lake. The option agreement outlines payments over 3 years totalling $150,000, with a residual 2% NSR that is purchasable for $1 million per 1% NSR. Early stage exploration work is expected to commence on the property during 2015.

On February 4, 2015, the Corporation signed an option agreement with Golden Dawn Minerals Inc. entitling the Corporation to earn a 100% interest in their Kirkland Lake Property, located on the Catharine and Pacaud Townships, south of Kirkland Lake. The options terms call for total payments of $130,000 in two tranches over 12 months. Early stage exploration work is expected to commence on the property during 2015.

On February 22, 2015, the Corporation entered into an option agreement (the “Miller Agreement”) with Northstar Gold Corp. (“**Northstar**”) to acquire up to a 70% interest on the Miller Gold Property just south of Kirkland Lake, Ontario (the “Miller Property”). Under the terms of the Miller Agreement, the Corporation can earn up to a 51% interest in the Miller Property by subscribing for $300,000 in common shares of Northstar at $0.10 per share, and making payments and incurring expenditures of $3 million over three years. The Corporation can earn a further 9% interest by making a payment of $300,000 and incurring expenditures equal to $1,700,000 by the fifth anniversary, and a further 10% by the sixth anniversary for payment of $700,000 and expenditures equal to a further $1,300,000 and, at the option of the Corporation, make either a $1,300,000 payment or commitment to fund the Miller Property through to completion of a pre-feasibility study.

On February 23, 2015, the Corporation signed a purchase agreement with a private owner for two 64 hectare patent lots on the Pacaud Township, south of Kirkland Lake. A single payment of $50,000 was made for these 2 patents referred to as the Olsen Property.

On March 10, 2015, the Corporation signed a purchase agreement for a 64 hectare patent lot referred to as the Roach Property, for a single payment of $45,000. The patent lot is on the Catharine Township, south of Kirkland Lake.

On April 23, 2015, the Corporation completed a non-brokered private placement (the "First Offering") of 5,000,000 common shares of the Corporation ("Common Shares") at a price of $0.10 per Common Share and an additional 10,000,000 Common Shares issued as "flow-through shares" within the meaning of the Income Tax Act (Canada) ("Flow-Through Shares") at a price of $0.10 per Flow-Through Share for aggregate gross proceeds of $1,500,000. On April 27, 2015, the Corporation completed a further offering of 5,000,000 Flow-Through Shares on a private placement basis at a price of $0.10 per Flow-Through Share for aggregate gross proceeds of $500,000 (the "Second Offering" and, together with the First Offering, the "Offerings"). The Corporation intends to use the proceeds from the Offerings to fund the continued exploration of its Canadian mineral exploration projects.

On May 14, 2015, the Corporation filed the Miller Technical Report for the Miller Project.

On June 8, 2015, the Company entered into binding letter agreements providing for the launching of supported share exchange take-over bids with each of Eagle Hill Exploration Corporation (TSX-V:EAG) ("Eagle Hill"), Temex Resources Corp. (TSX-V: TME) (“Temex”), Ryan Gold Corp. (TSX-V: RYG) (“Ryan”) and Corona Gold Corporation (CSNX: CRG) (“Corona”) (the “Offer”).

In addition, Oban has agreed, subject to TSX approval, to complete a private placement with Osisko Gold Royalties Ltd. (TSX: OR) (“Osisko”) whereby Osisko will invest up to $20 million in common shares in the capital of Oban (“Oban Shares”) at a price of $0.11 per Oban Share provided that such investment shall not be for more than 19.9% of the issued and outstanding Oban Shares.

On June 30, 2015, the Company announced that, further to the entering into by Oban of binding letter agreements dated June 8, 2015 (the "Binding LOIs") in respect of the proposed acquisition by Oban of each of Eagle Hill, Ryan, Corona and Temex, Oban had entered into a definitive arrangement agreement with Eagle Hill, Ryan and Corona (the " Arrangement Agreement") and a definitive arrangement agreement with Temex (the "Temex Arrangement Agreement"). As provided for under the Binding LOIs, Oban determined it was appropriate to revise the transaction structure for the acquisitions and proceed by way of plans of arrangement. The Arrangement is subject to TSX and shareholder approval.

Pursuant to the Arrangement Agreement, Oban will acquire all of the common shares of each of Eagle Hill ("Eagle Hill Shares"), Ryan ("Ryan Shares") and Corona ("Corona Shares") pursuant to a plan of arrangement under Section 182 of the Business Corporations Act (Ontario) (the "Arrangement"). Under the Arrangement: each holder of Eagle Hill Shares (each an "Eagle Hill Shareholder") (other than Oban or any Eagle Hill Shareholders validly exercising their dissent rights) will receive ten common shares of Oban (each an "Oban Share") and five warrants entitling the holder to acquire one Oban Share (each an "Oban Warrant") at $0.15 per Oban Share for a period of three years following closing, in exchange for each Eagle Hill Share held; each holder of Ryan Shares (each a "Ryan Shareholder") (other than Oban or any Ryan Shareholders validly exercising their dissent rights) will receive 1.880 Oban Shares in exchange for each Ryan Share held; and each holder of Corona Shares (each a "Corona Shareholder") (other than Oban or any Corona Shareholders validly exercising their dissent rights) will receive 7.671 Oban Shares in exchange for each Corona Share held.

On July 16, 2015, Temex announced that it had received a binding proposal from Lake Shore Gold Corporation ("Lakeshore") to acquire all the common shares of Temex at a value of $0.13 per share. The board of directors of Temex determined that it was a "superior proposal" to the Corporation's offer, as defined in the Temex Arrangement Agreement. On July 30, 2015, Oban's right to match such offer from Lakeshore under the Temex Arrangement Agreement expired and Temex terminated the Temex Arrangement Agreement and paid to Oban the termination fee payable under the Temex Arrangement Agreement of $691,856.

On July 6, 2015, the Corporation completed the purchase of 6,527,274 common shares, representing 19.9% of the issued and outstanding common shares of BonTerra Resources Inc. at a price of $0.135 per common share.

On August 5, 2015, the Corporation announced that it entered into a term sheet with SGX Resources Inc. ("SGX") providing for Oban to subscribe for up to $135,000 in 8.0% coupon convertible debentures of SGX. The investment agreement will also provide Oban with rights to retain its pro rata interest in future SGX financings, nominate a director of SGX, acquire an NSR over the Timmins South (Edlestone) property on a payment of $2 million, acquire an interest in outstanding royalties and acquire a 30% interest in the South Property of SGX.

1. DESCRIPTION OF BUSINESS

The Corporation was incorporated on February 26, 2010 under the *Business Corporations Act* (Ontario). The Corporation's focus is the exploration and development of precious metals resource properties in the Americas. Currently, the Corporation is exploring in Canada, and looking for new opportunities.

Acquisition of Oban Exploration Limited

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

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

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

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

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

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

Exploration Strategy

The Corporation is a mineral exploration Corporation focused on the acquisition, exploration, and development of base and precious metal resource properties in Canada. The Corporation is actively engaged in the identification, acquisition, evaluation and exploration of mineral properties, and holds options to acquire a 70% interest in mining concessions covering a total surface area of 1,070 hectares ("ha") in the Miller Project, and options to acquire an interest in the Ogima Project, Golden Dawn and Ashley Gold Projects. The Corporation also has mineral title for the 70,000 ha Urban Barry property all of which is in Quebec. The Corporation has decided to switch focus to Canada and has started the process of shutting down the Peruvian and Mexican operations. As a result of the decision, the Corporation has classified the Peruvian properties into discountinued operations.

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

2. SUMMARY OF MINERAL PROPERTIES

The Corporation's various mineral properties are summarized below:

Continuing Exploration Properties	**Mineral Resource**	**Location**	**Status**
Urban Barry Project	Gold	Quebec - Canada	Owned 100%
Catherine Fault – Ogima Project	Gold	Ontario - Canada	Claims under option
Catherine Fault – Miller Gold Project	Gold	Ontario - Canada	Claims under option
Catherine Fault – Golden Dawn Project	Gold	Ontario - Canada	Claims under option
Catherine Fault – Ashley Gold Project	Gold	Ontario - Canada	Claims under option
Discontinued Exploration Properties	**Mineral Resource**	**Location**	**Status**
Marcahui Project	Copper	Peru	Terminated
Arcopunco Project	Gold	Peru	Terminated
Magdalena Project	Copper	Peru	Terminated
Low Capital Cost Prospects	Copper/Gold	Peru	Terminated
Lithocaps Prospects	Copper/Gold	Peru	Terminated

3. MINERAL PROPERTY ACTIVITIES

a) Canadian properties

3.1 Urban Barry

As of June 30, 2015, the Corporation had staked claims in the Urban Barry area of Quebec. The exploration expenditures on the property were for the cost of staking the land and data compilation. In order to maintain the claims, the Corporation is required to spend $1,504,800 within two years from the date of staking, which is due November of 2016.

3.2 Catherine Fault

i) Ogima Project

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

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

On March 10, 2015, the Corporation signed a purchase agreement with a non-related private individual for 100% of a 64 hectare patent lot referred to as the Roach Property, for a single payment of $45,000. The patent lot is on the Catharine Township, south of Kirkland Lake with a legal description of PIN 61250-0087, Parcel 3653 SEC NND, N ½ Lot 12 Con 4, Township of Catharine, District of Timiskaming.

Exploration Activity

During the period ended June 30, 2015, the Corporation completed 1,533 line-km's of a helicopter-borne gradient magnetic geophysical survey. The survey conducted over the claims was designed to infill a previous 2014 survey to an effective 50m line spacing. The survey was flown between March 25 and March 28, and data processing was completed by May 3, 2015.

ii) Northstar Miller Project

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

Exploration Activity

Northstar completed a 15 hole, 1,780 metre ("m") drill campaign in 2014. The highlights of the drilling campaign were 1.04 g/t Au over 97.5m including 3.25 g/t Au over 14.03 m, 0.99 g/t Au over 102 m including 11.62 g/t Au over 3.95 m and 5.25 g/t Au over 7.95 m. A historical non NI 43-101 compliant gold resource estimate on the Miller Property prepared by Nortek Exploration and dated March 25, 1988 shows 267,000 oz Au @ 11.5 g/t and 808,000 tons at the Independence Gold Mine claim (Ontario Ministry of Northern Affairs Assessment report # OM87-6-L-239: "Mining and Geological Report on the 1987

Nortek Exploration Program" by Gordon B. French, President of French & Associates Inc., Highway 112, Tarzwell, Ontario) and a separate promotional document dated June 1, 1941 by Massore Mining Syndicate Limited reports 430,000 oz Au @ 2.9 g/t and 5,000,000 tons at the Planet Syenite claim (Massore Mining Syndicate Limited promotional summary for Planet Gold Mines: "Report on the Geology of the Properties of Planet Gold Mines Ltd., Larder Lake, Ontario" June 1, 1941 Report, by J.S. Cresscombe. M.E.). A qualified person has not done sufficient work to classify this historical estimate as current mineral resources and the Company is not treating this historical estimate as current mineral resources. These historical estimates cannot be fully verified. These values cannot and should not be relied upon, are only referred to herein as an indication of previously defined gold mineralization. Key parameters used to estimate these resources are not known, and it is not known whether the resources are inferred or indicated. No other more recent indications of resources have been encountered. In order to verify these resources and to upgrade the resources to NI 43-101 compliant categories, the historical areas would need to be re-drilled with updated sampling procedures put in place.

During the period ended June 30, 2015, the Corporation completed a 1,272.1 line-km's of a helicopter-borne gradient magnetic geophysical survey. The survey conducted over the claims was designed to an effective 50m line spacing to better identify drill targets for the 2015 drill program. The survey was flown between March 25 and April 3, and data processing was completed by May 3, 2015. In the last week of May, the Corporation commenced a surface mapping and sampling program to assist with the drill program planning. The mapping program ended when the drill program was initiated. On July 15th, 2015, the Corporation began its 4,000 m diamond drill campaign which is expected to be completed during the second half of the year.

iiI) Golden Dawn Project

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

iv) Ashley Gold Project

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

b. Discountinued Operations - Peruvian Properties

During the period ended June 30, 2015, the Corporation decided to not continue in Peru and to refocus its operations in Canada, therefore resulting in a write-off all its Peruvian exploration assets. The Corporation classified the Peruvian subsidiaries as discontinued operations, in accordance with IFRS 5 (refer to note 11 of the unaudited condensed interim consolidated financial statements). Please see table above for properites that have been classified as discountinued operations.

4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES AND COMMITMENTS

4.1 Exploration and Evaluation Assets Expenditures

The Corporation's expenditures on exploration and evaluation assets for six month period ended June 30, 2015 were as follows (in Canadian dollars):

	December 31, 2014	Additions in the period	Write offs in the period	June 30, 2015
Canadian properties				
Urban Barry	$ 98,420	$ 26,430	$ -	$ 124,850
Ogima - Catharine Fault	123,611	445,559	-	569,170
Northstar Miller - Catharine Fault	-	336,515	-	336,515
Golden Dawn - Catharine Fault	-	78,545	-	78,545
Ashley Gold - Catharine Fault	-	33,535	-	33,535
Peru properties				
Arcopunco	330,157	63,966	(394,123)	-
Marcahui	6,463,933	(7,128)	(6,456,805)	-
Magdalena	224,175	31,243	(255,418)	-
Generative properties				
Peru - Lithocaps	99,677	129,732	(229,409)	-
Peru - Low Capex	114,351	19,209	(133,560)	-
Total exploration and evaluation assets	$ 7,454,324	$ 1,157,606	$ (7,469,315)	$ 1,142,615

Significant additions during the six month period ended June 30, 2015 are described by category in the following table:

As of June 30, 2015	Urban Barry	Ogima - Catharine Fault	Miller - Catharine Fault	Golden Dawn - Catharine Fault	Ashley Gold - Catharine Fault	Peruvian projects	Total
Property Acquisition	$ -	$ 60,250	$ 45,176	$ 75,460	$ 30,450	$ 75,961	$ 287,297
Geochemical Survey	-	-	-	-	-	-	-
Geochemical and Geophysical Survey	-	266,450	19,050	-	-	-	285,500
Geological Reconnaissance	-	17,076	110,886	-	-	20,001	147,962
Reporting and GIS	26,431	65,654	106,544	3,084	3,085	32,746	237,543
Administration	-	350	-	-	-	9,820	10,170
Supplies, Sustenance and Transportatic	-	3,000	39,462	-	-	54,582	97,044
Tenement Fees	-	32,780	1,333	-	-	-	34,114
Assays	-	-	14,065	-	-	43,911	57,976
Total additions	$ 26,431	$ 445,560	$ 336,515	$ 78,544	$ 33,535	$ 237,020	$ 1,157,606

During the six month period ended June 30, 2015 most of the Corporation's exploration expenses were incurred on the Canadian projects as the Corporation completed the acquisition of the properties, surveys, geological reconnaissance and reporting required to determine the exploration plan and drilling for 2015. The Peruvian properties spending related to completion and analysis of exploration results, which were key to determine the discontinuance of these projects.

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

The following is a summary of the committed option payments and acquisition costs to be made as of June 30, 2015 in respect of the Corporation's exploration and evaluation assets:

(In CAD$)	Total	2016	2017	2018	2019	2020
Catharine Fault - Ogima Project	$ 400,000	$ 160,000	$ 100,000	$ 140,000	$ -	$ -
Catharine Fault - Miller Project	$ 510,000	$ 50,000	$ 80,000	$ 380,000	$ -	$ -
Catharine Fault - Golden Dawn Project	$ 65,000	$ 65,000	$ -	$ -	$ -	$ -
Catharine Fault - Ashley Gold Project	$ 130,000	$ 30,000	$ 45,000	$ 55,000	$ -	$ -
Urban Barry Project - exploration commitment*	$ 1,504,800	$ 1,504,800	$ -	$ -	$ -	$ -
Catharine Fault - Miller Project, exploration commitment	$ 4,190,000	$ 650,000	$ 1,840,000	$ 1,700,000	$ -	$ -
Total in CAD	**$ 6,799,800**	**$2,459,800**	**$2,065,000**	**$2,275,000**	**$ -**	**$ -**

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

5. OUTLOOK

The operational outlook below and described herein reflects the Corporation's current operations. The Corporation expects the Arrangement to be completed as soon as practicable following receipt of the final order of the court, which is anticipated to be received on August 21, 2015. There is no guarantee that the various conditions to completion of the Arrangement will be satisfied promptly or at all. See "Risk Factors" in the Corporation's management information circular (the "Circular") dated July 20, 2015, which is available under the Corporation's issuer profile on SEDAR at www.sedar.com. If the Arrangement is completed, the Corporation will acquire the Windfall Property currently held by Eagle Hill, and the outlook of the Corporation may differ from that which is disclosed below.

The Corporation finalized the NI 43-101 technical report on the Miller Property which was released on sedar on May 14 2015. The Corporation has began its 4,000 m diamond drill program which started in mid July, 2015 on the Miller Property. The Corporation expects to finalize the drill campaign in the second half of the year.

The Corporation continues to evaluate interests in projects in Ontario and Quebec. The Corporation has optioned a number of claims in Ontario to conduct initial exploration, and expects to continue taking early stage interests in prospects, which it hopes, will mature into material properties.

The Corporation has staked approximately 70,000 hectares (“ha”) in the Urban Barry area of Quebec. Oban is currently working with historical data in order to help plan an initial exploration program for the area. The Corporation intends to begin systematic sampling and mapping in early spring followed by further work, as warranted. As part of the Corporation's strategy to consolidated the Urban Barry area, the Corporation made an investment on July 6, 2015 to acquire a 19.9% interest in BonTerra Resources Inc., which holds an interest in the Gladiator Project adjacent to the Windfall Lake Project.

6. RESULTS OF CONTINUING OPERATIONS

The following table summarizes the Corporation's Consolidated Statement of Operations for the three and six month periods ended June 30, 2015 and 2014:

	Three months period		Six month period	
For the period ended,	**June 30, 2015**	June 30, 2014	**June 30, 2015**	June 30, 2014
Compensation expense				
Stock-based compensation	**$ 59,787**	$ 547,697	**$ 184,406**	$ 652,712
Compensation expense	**169,509**	250,342	**409,931**	411,261
Total compensation expenses	**229,296**	798,039	**594,337**	1,063,973
General and administration				
Shareholder and regulatory expense	**7,265**	7,568	**15,265**	35,465
Administrative services	**3,645**	10,020	**3,645**	40,020
Travel expense	**21,174**	46,564	**37,309**	70,778
Professional fees	**89,714**	63,982	**189,924**	168,314
Office expense	**36,102**	73,253	**103,110**	90,958
Total general and administration expenses	**157,900**	201,387	**349,253**	405,535
General exploration				
Latin America	**-**	-	**-**	-
Canada	**27,389**	35,056	**76,862**	35,056
Total exploration expenses	**27,389**	35,056	**76,862**	35,056
Exploration and evaluation assets written-off	**-**	-	**-**	-
Marketable securities gain				
Realized loss (gain) from marketable securities	**3,010**	-	**(45,766)**	**-**
Unrealized gain from marketable securities	**(71,445)**	(60,000)	**(78,804)**	**(60,000)**
Total marketable securities gain	**(68,435)**	(60,000)	**(124,570)**	(60,000)
Foreign currency exchange				
Realized foreign currency exchange loss (gain)	**-**	152,428	**1,174**	173,991
Unrealized foreign exchange (gain) loss	**27,301**	(92,295)	**(54,293)**	(113,079)
Total foreign exchange (gain)/loss	**27,301**	60,133	**(53,119)**	60,912
Finance income	**(14,289)**	**(27,352)**	**(31,499)**	(53,535)
Finance costs	**1,966**	**1,263**	**4,578**	3,794
Net finance income from continuing operations	**(12,323)**	(26,089)	**(26,921)**	(49,741)
Loss for the period from continuing operations	**361,128**	1,008,526	**815,842**	1,455,736
Loss (gain) for the period from discontinued operations	**(125,919)**	1,308,997	**7,695,395**	1,337,900
Total loss for the period	**235,209**	2,317,523	**8,511,236**	2,793,636
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss	**6,296**	(67,310)	**(299,086)**	(75,637)
Comprehensive loss (income) for the period	**6,296**	(67,310)	**(299,086)**	(75,637)
Total comprehensive loss	**$ 241,505**	$ 2,250,213	**$ 8,212,150**	$ 2,717,999
Basic and diluted loss per share				
From continuing operations	**$ 0.01**	$ 0.01	**$ 0.01**	$ 0.03
From discontinued operations	**0.00**	0.02	**0.07**	0.02
Total loss per share	**$ 0.01**	$ 0.03	**$ 0.08**	$ 0.05
Basic and diluted weighted average number of shares	**114,606,836**	83,137,837	**107,326,005**	56,941,605

6.1 THREE MONTH PERIOD ENDED JUNE 30, 2015 AS COMPARED TO THREE MONTH PERIOD ENDED JUNE 30, 2014

Loss from continuing operations for the period decreased to $361,128 from $1,008,526 due to decreased expenses related to cost cutting measures and a significant decrease in stock-based compensation due to options that were issued as part of the OEL Acquisition.

Stock-based compensation expense decreased by $487,910 in the period ended June 30, 2015 to $ 59,787 compared with $547,697 in the period ended June 30, 2014 due to 7,040,000 options being issued in connection with the OEL Acquisition during the 2014 period.

Compensation expense decreased in the period ended June 30, 2015, by $80,833 to $169,509, compared with $250,342 expense in the period ended June 30, 2014, due to a decrease in compensation related to less staff in the Corporate offices as well as the Peruvian office due to discountinued operations.

Shareholder and regulatory expense decreased by $303 to $7,265 for the period ended June 30, 2015 compared to $7,568 in the same period for 2014 as the Corporation had less filings during the period compared to the prior year.

Administrative services for the period ended June 30, 2015 was $3,645 whereas the Corporation had a $10,020 expense in the same period in 2014 as the Corporation has reduced the consulting fees in the period as a cost cutting measure.

Travel expense decreased for the period ended June 30, 2015 to $21,174 from $46,564 as compared to the same period in 2014. The decrease was a result of less exploration activity in the foreign jurisdictions as the Corporation has began the process to re-focus its operations in Canada.

Professional fees increased for the period ended June 30, 2015 by $25,732 to $89,714, compared with $63,982 expense for the same period in 2014, due to increased professional fees related to the operations being shut down in the foreign jurisdictions and due diligence on potential property acquisitions.

Office expense decreased for the period ended June 30, 2015 by $37,151, to $36,102, compared with $73,253 for the same period in 2014, due to a decrease in office rent and insurance expense.

General exploration expenses decreased by $7,667 to $27,389 during the period ended June 30, 2015, compared with $35,056 for the same period in 2014, due to less due diligence being perfomed on properties in the period in which the Corporation does not have the right to explore. The Corporation is continuing to search for new opportunities.

During the period ended June 30, 2015, the Corporation invested in marketable securities in exploration and development companies as a strategic investment. As a result, the Corporation recognized a realized loss and unrealized gain in the period related to these investments of $3,010 and $71,445, respectively. The realized loss is from the sale of one of the investments and the unrealized gain is a result of the Corporation mark to market their invesments at period end.

An unrealized foreign currency loss of $27,301 was recognized during the period ended June 30, 2015, compared with unrealized gain of $92,295 for the same period in 2014, as a result of the increased strength of the United States dollar compared to the Canadian dollar. The realized loss in the period is Nil due to less activity in the foreign operations.

Net finance income during the period ended June 30, 2015 slightly decreased by $13,766, to $12,323, compared with $26,089 in the period ended June 30, 2014, due to a combination of a lower interest rate as well as a decrease in cash balance.

6.2 SIX MONTH PERIOD ENDED JUNE 30, 2015 AS COMPARED TO SIX MONTH PERIOD ENDED JUNE 30, 2014

Loss from continuing operations for the period increased to $815,842 from $1,455,736 due to an decreased expenses related to cost cutting measures and a significant decrease in stock-based compensation due to options that were issued as part of the OEL Acquisition.

Stock-based compensation expense decreased by $468,306 in the period ended June 30, 2015 to $ 184,406 compared with $652,712 in the period ended June 30, 2014 due to 7,040,000 options being issued in connection with the OEL Acquisition.

Compensation expense decreased in the period ended June 30, 2015, by $1,330 to $409,931, compared with $411,261 expense in the period ended June 30, 2014, due to a decrease in compensation related to less staff in the Corporate offices as well as the Peruvian office due to discountinued operations

Shareholder and regulatory expense decreased by $20,200 to $15,265 for the period ended June 30, 2015 compared to $35,465 in the same period for 2014 as the Corporation had less filings during the period compared to the prior year.

Administrative services for the period ended June 30, 2015 was $3,645 whereas the Corporation had a $40,020 expense in the same period in 2014 as the Corporation has reduced the consulting fees in the period as a cost cutting measure.

Travel expense decreased for the period ended June 30, 2015 to $37,309 from $70,778 as compared to the same period in 2014. The decrease was a result of less exploration activity in the foreign jurisdictions as the Corporation has began the process to re-focus its operations in Canada.

Professional fees increased for the period ended June 30, 2015 by $21,610, to $189,924, compared with $168,314 expense for the same period in 2014, due to increased professional fees related to the operations being shut down in the foreign jurisdictions and due diligence on potential property acquisitions.

Office expense increased for the period ended June 30, 2015 by $12,152, to $103,110, compared with $90,958 for the same period in 2014, due to increased expenses related to the OEL Acquisition in the prior year.

General exploration expenses increased by $41,806 to $76,862 during the period ended June 30, 2015, compared with $35,056 for the same period in 2014, due to new exploration prospects in areas for which the right to explore is yet to be obtained. The Corporation is continuing to search for new opportunities.

During the period ended June 30, 2015, the Corporation invested in marketable securities in exploration and development companies as a strategic investment. As a result, the Corporation recognized a realized and unrealized gain in the period related to these investments of $45,766 and $78,804, respectively. The realized loss is from the sale of one of the investments and the unrealized gain is a result of the Corporation mark to market their invesments at period end.

An unrealized gain of $54,293 was recognized during the period ended June 30, 2015, compared with unrealized gain of $113,079 for the same period in 2014, as a result of the increased strength of the United States dollar compared to the Canadian dollar. The realized loss in the period is Nil due to less activity in the foreign operations.

Net finance income during the period ended June 30, 2015 slightly decreased by $22,820, to $26,921, compared with $49,741 in the period ended June 30, 2014, due to a combination of a lower interest rate as well as a decrease in cash balance.

6.3 CASH FLOWS

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

Operating Activities

Cash used in operating activities from continuing operations for the period ended June 30, 2015 totalled $1,039,984 compared to $383,814 used in the same period during 2014. The increased outflows were primarily attributable to compensation expense, professional fees, and travel expense.

Financing Activities

Cash provided by financing activities was $906,620 during the period ended June 30, 2015. This was from the issuance of 20,000,000 common shares at $0.10 per common share from a non-brokered private placements that took place during the period which has been offset by share issuance costs and a $1,000,000 non-interest bearing loan that was provided to Eagle Hill in connection with the entering into of the Arrangement Agreement.

Investing Activities

Cash used by investing activities from continuing operations for the period ended June 30, 2015 totalled $2,105,469 compared to $4,483,775 provided by the Corporation in the same period in 2014. The decrease was mainly due to the cash used for additions to exploration and evaluation assets associated with the exploration activity completed mostly in Canada and Peru during the period as well as a $300,000 private placement for the purchase of the Northstar shares in relation to the Miller property acquisition. In the prior period, $4,398,693 was provided from the merger that took place between the Corporation and OEL, completed on April 14, 2014.

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

7. RESULTS OF DISCONTINUED OPERATIONS

During the six months ended June 30, 2015, the Corporation decided not to continue pursuing the Peruvian properties, and therefore wrote-off all the exploration assets. Further, the Corporation classified the Peruvian subsidiaries as discontinued operations, in accordance to IFRS 5. Accordingly, the following table summarizes the results of discontinued operations for the three and six-month periods ended June 30, 2015 and 2014.

	Six months ended ended		**Three months ended**	
For the period ended	**June 30, 2015**	**June 30, 2014**	**June 30, 2015**	**June 30, 2014**
Peru				
Compensation expense	**$ 21,426**	$ 39,599	**$ 5,563**	$ 35,242
General administrative expense	**196,320**	97,844	**108,077**	79,533
General exploration expense	**1,492**	55,871	**-**	51,133
Exploration and evaluation assets writen-off	**7,469,315**	1,121,752	**(241,306)**	1,121,752
Foreign currency exchange loss	**5,551**	20,784	**1,193**	20,009
Finance costs	**1,291**	2,050	**554**	1,328
Total loss from discontinued operations	**$ 7,695,395**	$ 1,337,900	**$ (125,919)**	$ 1,308,997

During the period ended June 30, 2015, the Corporation had reversed the environmental liability on the Antamayo property for $241,306 which was offset to the write off of exploration and evaluation assets.

8. SUMMARY OF QUARTERLY RESULTS

For the period ended		June 30, 2015		March 31, 2015		December 31, 2014		September 30, 2014
Financial Results:								
Interest income	$	(14,289)	$	(17,210)	$	(25,813)	$	(27,398)
Loss from continuing operations	$	361,128	$	454,714	$	883,222	$	608,406
Loss/(income) from discontinued operations	$	(125,919)	$	7,821,314	$	174,711	$	14,876,560
Loss/(earnings) per share* - basic and diluted								
From continuing operations	$	0.01	$	0.00	$	0.01	$	0.01
From discontinued operations	$	0.00	$	0.08	$	-	$	0.15
Financial Position:								
Working Capital (non-IFRS measurement)	$	10,526,047	$	9,426,857	$	10,681,654	$	11,799,951
Exploration and evaluation assets	$	1,142,615	$	661,512	$	7,454,324	$	7,376,114
Total Assets	$	13,020,675	$	10,955,876	$	18,818,405	$	19,980,379
Share Capital	$	54,046,200	$	52,139,580	$	52,139,580	$	52,139,580
Deficit	$	(46,017,336)	$	(45,782,127)	$	(37,506,099)	$	(36,448,166)
Number of shares issued and outstanding		119,881,561		99,881,561		99,881,561		99,881,561

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

For the period ended		June 30, 2014		March 31, 2014		December 31, 2013		September 30, 2013
Financial Results:								
Interest Income	$	(27,352)	$	(26,183)	$	(26,960)	$	(24,866)
Loss from continuing operations	$	1,008,526	$	451,701	$	1,739,451	$	161,016
Loss from discontinued operations	$	1,308,997	$	24,410	$	(650,503)	$	(178,002)
Loss per share* - basic and diluted								
From continuing operations	$	0.01	$	0.02	$	0.01	$	0.01
From discontinued operations	$	0.01	$	-	$	0.06	$	(0.01)
Financial Position:								
Working Capital (non-IFRS measurement)	$	13,657,328	$	10,575,380	$	10,991,897	$	10,574,687
Exploration and evaluation assets	$	19,617,097	$	328,184	$	196,880	$	1,180,946
Total Assets	$	34,983,445	$	11,482,825	$	11,751,248	$	12,579,792
Share Capital	$	52,139,580	$	26,859,121	$	26,859,121	$	26,859,121
Deficit	$	(20,963,200)	$	(18,645,677)	$	(18,169,566)	$	(17,080,618)
Number of shares issued and outstanding		99,881,561		29,862,353		29,862,353		29,862,353

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

The loss from continuing operations in the three month period ended June 30, 2015 was mainly due to an increase in expenses a result from the merger between the Corporation and OEL during the prior period that took place on April 14, 2014. The increase in the discountinued opertions is mainly related to the the write-off of exploration and evaluation assets described in sections 4.1, 6.1 and 6.2 above as a result of the Corporation switching operations from Peru and Mexico to Canada. Total exploration and total assets increased from prior period due to the capitalization of expenditures incurred in the Canadian prospects, net of the write-off of Bermejo and the Generative projects in Peru, during the quarter ended December 31, 2014.

9. FOREIGN EXCHANGE

The following table summarizes the Canadian dollar average exchange rate for the periods ended June 30, 2015 and 2014, as well as the spot rate as of August 11, 2015, providing the value of one Canadian dollar in the currencies of the countries in which the Corporation conducted business during the six month period ended June 30, 2015.

	Quarter ended		
Currency	**June 30, 2015**	June 30, 2014	August, 11 2015
United States dollar (USD)	**0.808**	0.917	0.762
Peruvian Nuevo Sol (PEN)	**2.434**	2.530	2.401
Mexican Peso (MXN)	**12.067**	11.904	12.329

10. LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2015, the Corporation had cash of $8,352,968 (December 31, 2014 - $10,998,647) and working capital of $9,699,931 (December 31, 2014 - $10,681,654). Cash and working capital decreased from December 31, 2014, due to the expenditures incurred mostly in connection with exploration activities in Canda and Peru, and general and administration activities related to the offices in Canada as well as additional costs related to the closing of the foreign operations and relating to the Arrangement. The majority of the Corporation's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms.

The Corporation has no history of revenues from its operating activities. The Corporation is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the period ended June 30, 2015, the Corporation had negative cash flow from operating activities, and the Corporation anticipates it will have negative cash flow from operating activities in future periods.

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

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

11. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

See section 4.2 for information regarding option payments on the properties for the Corporation's outstanding commitments. In addition to the option payments, on November 6, 2012 the Corporation signed a sublease agreement for office space, under which it is committed to annual payments of approximately $220,000 for a four-year term, which terminates on February 28, 2017. In connection with the sublease agreement, the Corporation signed an $80,000 letter of credit, which is supported by a GIC deposit at a Canadian Chartered Bank disclosed within restricted cash. On March 3, 2015, the letter of credit was reduced to $26,667, upon completion of the second year of the lease agreement.

12. OFF-BALANCE SHEET ARRANGEMENTS

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

13. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Corporation and other related parties are disclosed below.

During the three and six month period ended June 30, 2015 and 2014, consulting fees of $44,460/$168,613 (2014 – $40,020/470,020) were incurred with Talisker Exploration Services Inc., a Corporation related to Mr. Chris Lodder, Mr.

Terence Harbort, and Mr. Ruben Padilla, signifiact shareholders of the Corporation, out of which an owing balance of $6,279 is included within accounts payable at June 30, 2015 (2014 - $Nil). These consulting fees have been recorded at their exchange amount – being the amount agreed to by the parties and are mostly included within discontinued operations in 2015 and within continuing operations in 2014.

On April 14, 2014, the Corporation completed the acquisition of OEL (note 4), which, was a related party to the Corporation due to having common directors and officers with the Corporation, being Mr. Jose Vizquerra, Mr. Blair Zaritsky, Mr. Gernot Wober, and Mr. John Burzynski.

Accrued directors fee for the period ended June 30, 2015 are $ 60,000.

14. OUTSTANDING SHARE DATA

As at August 11, 2015 the Corporation had 119,881,561 Common Shares outstanding, as well as 6,940,000 stock options to purchase Common Shares at a weighted average exercise price of $0.22 per share and nil warrants. This amounts to 126,821,561 Common Shares outstanding on a fully diluted basis.

The following table summarizes the options issued and outstanding as at June 30, 2015:

Exercise Price	Number of Stock Options Outstanding	Weighted-Average Remaining periods of Contractual Life	Number of Stock Options Exercisable	Weighted Average Exercisable Price
$ 0.22	7,040,000	3.808	4,693,329	$ 0.22

15. CRITICAL ACCOUNTING ESTIMATES

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

i) Significant judgments in applying accounting policies

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

Taxes:

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

ii) Significant Accounting Estimates and Assumptions

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

Impairment of non-financial assets:

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

Fair value of share-based payments:

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

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

Recoverability of VAT receivable:

Management's assumptions regarding the recoverability of Value Added Tax ("VAT") receivable in Mexico and Peru, at the end of each reporting period, is made using all relevant facts available, such as the development of VAT policies in both jurisdictions, past collectability, and the general economic environment of jurisdictions to determine if a write-off of the VAT is required. All of the non-collectable VAT receivable balances related to the foreign operations has been written off to discountiuned operations at the period ended June 30, 2015.

16. CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

The financial framework and accounting policies applied in preparation of these condensed interim consolidated financial statements are consistent with those as disclosed in its most recently completed audited consolidated annual financial statements for the year-ended December 31, 2014, except for the following new IFRS standards that became effective in the period

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

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

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

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

17. RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in the Americas, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones described in the Circular and in the Corporation's annual information form (the "AIF"), could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See *"Forward-Looking Information"*. The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Circular, the AIF, and other publicly filed documents regarding the Corporation, all of which are available under the Corporation's issuer profile on SEDAR at www.sedar.com.

18. CORPORATE GOVERNANCE

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

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

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

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

19. CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

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

There have been no changes in ICFR during the quarter ended June 30, 2015 that materially affected or are reasonably likely to materially affect the Corporation's internal control over financial reporting.

20. NON-IFRS MEASURES

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

The Corporation determines working capital as follows:

Reconciliation for the period ended	**June 30, 2015**	**March 31, 2015**	**December 31, 2014**	**September 30, 2014**
Current Assets	11,309,378	9,880,173	11,168,357	12,411,706
Less Current Liabilities	783,331	453,316	486,703	611,755
Working Capital	**10,526,047**	**9,426,857**	**10,681,654**	**11,799,951**

Reconciliation for the period ended	**June 30, 2014**	**March 31, 2014**	**December 31, 2013**	**September 30, 2013**
Current Assets	13,975,890	10,971,265	11,293,436	10,974,042
Less Current Liabilities	318,562	395,885	301,539	399,355
Working Capital	**13,657,328**	**10,575,380**	**10,991,897**	**10,574,687**

21. ADDITIONAL INFORMATION

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