



**MANAGEMENT'S DISCUSSION AND ANALYSIS of**

**WEST KIRKLAND MINING INC.**

(formerly Anthem Ventures Capital Corp.)

(An exploration stage company)

**For the three and six months ended June 30, 2010**

# West Kirkland Mining Inc.

## Management's Discussion and Analysis For the three and six months ended June 30, 2010

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This management's discussion and analysis ("MD&A") of financial conditions and results of operations for the six months ended June 30, 2010 should be read in conjunction with the Company's unaudited interim consolidated financial statements and related notes thereto for the period ended June 30, 2010.

The Company prepares its financial statements in accordance with generally accepted accounting principles in Canada ("Canadian GAAP"). All dollar figures included therein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted.

### Date

This Management's Discussion and Analysis is prepared as of August 25, 2010

### Forward-Looking Information

Certain statements made and information contained herein may contain "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation. Although the Company believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various estimates, risks, and uncertainties, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the market for gold or other minerals that may be produced generally, recent market volatility; variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's ability to obtain any necessary permits, consents or authorizations required for its activities, to raise the necessary capital or to be fully able to implement its business strategies and other risks associated with the exploration and development of mineral properties.

Although the Company has attempted to identify risks and uncertainties (section 9) that may cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performances, achievements or events to not be as anticipated, estimated or intended. Also, many of the factors are beyond our control. As actual results and future events could differ materially from those anticipated in such statements and information, readers should not place undue reliance on forward-looking statements or information. Except as may be required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

Certain statements within this document are considered "forward looking statements". Such forward looking statements include, but are not limited to, statements with regard to:

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

### Company History

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

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On March 24, 2010, Anthem entered into an acquisition agreement to complete an amalgamation with West Kirkland Mining Inc. ("West Kirkland") to acquire all of the issued and outstanding shares (5,790,000) of West Kirkland (the "Transaction"). West Kirkland was a private British Columbia company that acquired a portfolio of mineral exploration properties located in Nevada and Ontario since its incorporation in November 2009. These property interests include an option to earn up to a 75% undivided interest in Mexivada Mining Corp.'s ("Mexivada") Goldstorm gold exploration property located in Nevada (the "Goldstorm Option") and seven blocks of property optioned or staked in the West Kirkland Lake area of Ontario ("Ontario Mineral Interests") together the "Properties".

On May 28, 2010 Anthem completed the Transaction and changed its name to West Kirkland Mining Inc. This transaction has been accounted for as a reverse take-over. As a result, the Company's consolidated financial statements and this MD&A reflect the financial position, operating results and cash flows of the legal subsidiary, WK Mining Corp., for its current year to date from January 1, 2010 to June 30, 2010 and West Kirkland's results of operations from May 28, 2010 to June 30, 2010. On May 31, 2010 West Kirkland Mining Inc. (the "Company") began trading as a "Tier 2 Mining Issuer" on the TSX Venture Exchange under the symbol "WKM".

The Company is engaged in the business of acquisition, exploration and development of mineral resource properties. The Company holds properties in Nevada and Ontario (See "The Properties" below)

### ***Highlights for the Quarter ended June 30, 2010***

On May 28, 2010 Anthem Ventures Capital Corp completed the Transaction and changed its name to West Kirkland Mining Inc. On May 31, 2010 West Kirkland Mining Inc began trading as a "Tier 2 Mining Issuer" on the TSX Venture Exchange under the symbol "WKM".

As part of the Acquisition Agreement, the Company raised gross proceeds of \$6,000,000 by completing a brokered private placement of 12,000,000 common shares at a price of \$0.50 per common share.

On June 1, 2010, the Company appointed Michael G. Allen to its executive team as Vice President of Exploration. Mr. Allen received Bachelor of Science degrees from the University of Alberta in 1997 and 1998 and is a Professional Geoscientist registered with the Association of Professional Engineers and Geoscientists of British Columbia. As Vice President of Exploration he will have a mandate to execute the initial drill programs in both the Kirkland Lake camp, Ontario and in the Carlin Trend, Nevada as well as expand the Company's positions along the major gold trends in North America.

### ***The Properties***

#### *Goldstorm Option*

Pursuant to an option agreement with Mexivada (the "Mexivada Agreement") dated December 21, 2009, West Kirkland has an option to earn up to a 75% undivided interest in Mexivada's Goldstorm gold property. The Goldstorm gold property is an exploration stage mineral resource property and is located in the Snowstorm Mountains Mining District in Elko County, Nevada. The property is comprised of 148 unpatented lode mining claims and a lease over certain private lands covering an aggregate area of approximately 4,080 acres (16.51 km<sup>2</sup>). The Mexivada Agreement contains an Area of Interest provision whereby if either party to this agreement shall stake or cause to be staked new mining claims within lines drawn parallel to and one mile from the boundaries of the current property, such properties shall be annexed and included into this agreement between the parties.

Under the terms of the Mexivada Agreement, West Kirkland can acquire a 56% interest in the property by making aggregate cash payments of US\$350,000 (over a three year period), of which US\$100,000 has been paid, issuing an aggregate of 450,000 common shares (over a four year period) of which 50,000 common shares have been issued to Mexivada and incurring an aggregate of US\$2,900,000 in

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exploration expenditures (over a four year period). West Kirkland has also agreed to pay all county, Bureau of Land Management and lease option payments required to hold all of the existing mining claims and leases in good standing. West Kirkland may acquire an additional interest in the Goldstorm property (for a 75% interest in total) by issuing an additional 250,000 shares to Mexivada and incurring further exploration expenditures of US\$2,250,000 within 24 months of the date upon which West Kirkland earns the initial 56% interest in the property.

In early May, 2010, in completing title due diligence on the Goldstorm property, it was discovered that title to an 800 acre section of Goldstorm property which was acquired through a lease, is subject to an exception whereby an undivided one-half interest of all oil, gas and minerals in or under the surface of said leased land was reserved by a Nevada corporation (the "Reserved Interest"). As a result, under an amendment to the Mexivada Agreement (the "Amendment"), which was agreed to on May 18, 2010, West

Kirkland will retain its options to acquire up to a 75% interest in the Goldstorm property on the terms outlined above. However, the acquisition of an interest in the 800 acre section will be handled separately from West Kirkland's option to acquire an interest in the rest of the property from Mexivada. Pursuant to the Amendment, upon completion of the US\$75,000 cash payment to Mexivada by December 31, 2010, as required under the Mexivada Agreement, West Kirkland will earn a 50% interest in the leased lands. Under the Amendment, Mexivada is required to use all of its best efforts to establish the extinguishment or, otherwise acquire the Reserved Interest in order to satisfy the Company's right to acquire up to a 75% interest in the entire Goldstorm property.

On March 29, 2010 an additional 79 mining claims were staked by Mexivada within the Area of Interest and added to the option agreement. Also on March 29, 2010 an additional eight claims were staked outside the Area of Interest and are held 100% by West Kirkland. The complete Goldstorm property consists of 235 mineral claims totaling 5,789.31 acres, (23.42 km<sup>2</sup>). Staking costs of \$37,242 have been paid. Total acquisition costs for the Goldstorm property total \$187,292.

On August 4, 2010 the Company paid \$36,108.50 in State and County claim transfer and maintenance fees to keep the Goldstorm claims in good standing,

A notice of work has been submitted to the Bureau of Land Management for drilling on the Goldstorm Property. A letter of Acknowledgement was received from the Bureau of Land Management on August 25, 2010 allowing drilling on the project subject to an archeological survey of the areas to be disturbed. The Company is contacting BLM certified archeologists to complete the survey. The Company is in negotiations with drill contractors to complete the drilling work.

### *Ontario Mineral Interests*

The Ontario properties have been optioned and staked along the well defined Larder Lake Break (the "Break") west of the Kirkland Lake gold mining area. The properties focus on more than 10 kilometres of the Break that is under explored. Along the Break, further to the west, the Young Davidson gold mine is being developed. Further acquisitions along the Break are in progress by West Kirkland.

The Break is mapped and clearly traced in geophysics and the area between existing gold mines owned by third parties on this break is the focus of exploration.

The Company has been compiling existing data in the public domain and also data provided by optionees in preparation for drilling in the fall of 2010. A drill contractor has been selected and a contract for 2,000 to 7,000 m of drilling has been signed.

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(a) *Cairo Property*

During November and December 2009 the Company staked three claims comprising 34 units (approximately 5.4 km<sup>2</sup>) in the Alma and Cairo Townships west of Kirkland Lake, Ontario, Canada. Costs of this staking totaled \$3,230.

(b) *Burteby Property*

In December 2009 the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering 21 claim units (approximately 3.28 km<sup>2</sup>) in the Burt and Eby Townships west of Kirkland Lake, Ontario, Canada. Consideration for the option consists of payments totaling \$150,000 (of which \$10,000 was paid) over a 48 month period from signing and a work commitment of \$200,000 over 36 months from signing. The vendors retain a 1.5% net smelter return royalty on the property, of which the Company may purchase two thirds (1.0%) for \$750,000.

(d) *Kenogami Property*

In December 2009 the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering 28 claim units (approximately 4.19 km<sup>2</sup>) near Kenogami Lake west of Kirkland Lake, Ontario, Canada. Consideration for the option consists of payments totaling \$100,000 (of which \$5,000 was paid) over a 48 month period from signing and a work commitment of \$400,000 over 48 months from signing, a small geophysical program was completed on the property in March 2010 for a total of \$11,875. The vendor retains a 2.0% net smelter return royalty on the property with no fixed repurchase terms.

(e) *Flavelle*

On December 30, 2009 the Company entered into an option agreement whereby the Company may acquire a 70% interest in mineral rights covering 92 units (approximately 15.11 km<sup>2</sup>) near Larder Lake west of Kirkland Lake, Ontario, Canada. Consideration for the option consists of a \$15,000 payment upon signing (paid January 22, 2010) and further payments totaling \$285,000 in cash or stock of the Company, at the discretion of the Company, over a 60 month period from signing and a work commitment of \$1,500,000 over 60 months from signing.

(f) *Holmes*

On December 30, 2009 the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering approximately 131 units (approximately 19.95 km<sup>2</sup>) near Larder Lake west of Kirkland Lake, Ontario, Canada. Consideration for the option consists of a \$15,000 payment upon signing (paid January 22, 2010) and further payments totaling \$285,000 in cash or stock of the Company, at the discretion of the Company, over a 60 month period from signing. The Vendor retains a 2.0% net smelter return royalty on the property, of which the Company may purchase one half (1.0%) for \$1,500,000. A small geophysical survey was completed over the northwest corner of the property in June 2010, for a total cost was \$8,079.

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### (g) *Island 27*

On April 6, 2010 the Company entered into an option agreement whereby the Company may acquire a 70% interest in the Island 27 property covering 107 units (approximately 17.15 km<sup>2</sup>) near Kenogami Lake southwest of Kirkland Lake, Ontario, Canada. Consideration for the option consists of a \$100,000 payment upon signing (paid), the issuance of 500,000 common shares of the Company over a 36 month period from signing, (200,000 issued), and a work commitment of \$3,000,000 over 36 months from signing.

### (h) *Plumber*

On April 6, 2010 the Company entered into an option agreement whereby the Company may acquire a 70% interest in the Plumber property covering 15 units (approximately 2.40 km<sup>2</sup>) near Matachewan southwest of Kirkland Lake, Ontario, Canada. Consideration for the option consists of a \$2,500 payment upon signing (paid), the issuance of 100,000 common shares of the Company when the Company becomes public (issued), and a work commitment of \$2,000,000 over 36 months from signing.

### **Subsequent Events:**

On July 12, 2010, the Company retained a third party investor relations firm to provide investor relations and consulting services. Compensation to the third party will be a monthly fee of \$3,750 per month for an initial term of 12 months. In addition, the Company has issued, as compensation to the third party, an option to purchase 200,000 common shares pursuant to the Company's stock option plan. The options are exercisable at a price of \$0.78 per share, vest over a period of 12 months and will expire on July 12, 2012.

### **Discussion of Operations and Financial Results**

#### **1. Results of Operations**

##### **For the three months ended June 30, 2010**

The Company's net loss for the three months ended June 30, 2010 was \$460,933. Expenses for the period were \$460,933. If one was to subtract the non-cash expense of \$196,037 for stock compensation expense of \$196,037 the administrative costs for the three month period would be \$264,896. As this Company was not incorporated until November 9, 2009, there is no comparative information to present. With the reverse take-over taking place during the last quarter the largest category of expenses was professional fees made up of both legal and accounting fees of \$71,493. Management and consulting fees totaled \$72,824 with an expense of \$35,532 for shareholder relations and \$22,017 for rent.

##### **For the six months ended June 30, 2010**

The Company's net loss for the six months ended June 30, 2010 was \$512,281. Expenses for the period were \$512,281. If one was to subtract the non-cash expense of \$196,037 for stock compensation expense of \$196,037 the administrative costs for the six month period would be \$316,244. As this Company was not incorporated until November 9, 2009, there is no comparative information to present. With the reverse take-over taking place during the last quarter the largest category of expenses was professional fees made up of both legal and accounting fees of \$106,687. Management and consulting fees totaled \$72,824 with an expense of \$36,809 for shareholder relations and \$36,695 for rent.

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

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

	Year ended Dec. 31, 2010	Year ended Dec. 31, 2009	Year ended Dec. 31, 2008
Interest income	\$Nil	N/A	N/A
Net Loss	(\$530)	N/A	N/A
Basic and diluted Loss per Share	(\$0.00)	N/A	N/A
Total Assets	\$60,027	N/A	N/A
Long Term Debt	Nil	N/A	N/A
Dividends	Nil	N/A	N/A

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

Quarter Ending	Interest & Other Income	Net Loss <sup>(1)</sup>	Net Basic Earnings (Loss) per Share
June 30, 2010	\$Nil	(\$460,933)	(\$0.04)
March 31, 2010	\$Nil	(\$51,348)	(\$0.02)
December 31, 2009	\$Nil	(\$530)	\$0.00
Sept. 30, 2009	N/A	N/A	N/A
June 30, 2009	N/A	N/A	N/A
March 31, 2009	N/A	N/A	N/A
December 31, 2008	N/A	N/A	N/A
Sept. 30, 2008	N/A	N/A	N/A

Explanatory Notes:

<sup>(1)</sup> Net gains (losses) by quarter are often materially affected by the timing and recognition of large non-cash income, expenses or write-offs. The quarter ended June 30, 2010 included a non-cash charge for stock based compensation in the amount of \$196,037.

## 2. Off-Balance Sheet Arrangements

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

## 3. Liquidity and Capital Resources

During the period, the Company issued a total of 15,084,500 common shares for net cash proceeds of \$6,940,173. Cash proceeds are primarily spent on mineral property and surface right acquisitions, exploration and development as well as for general working capital purposes. The Company's primary source of capital has been from the sale of equity. At June 30, 2010 the Company had cash and cash equivalents on hand of \$6,581,785 and net working capital of \$6,324,570

Under the terms of several of the Company's mineral property option and purchase agreements, the Company is required to make certain scheduled acquisition payments and exploration commitments as summarized in the table below in order to preserve the Company's interests in the related mineral

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properties. In the event the Company is unable or unwilling to make these payments, it is likely that the Company would forfeit its rights to acquire the related properties. The following table discloses all of the Company's optional mineral property acquisition payments and exploration commitments. The Company has no long term debt or loan obligations.

Property	Total \$ Outstanding	Less than 1 year	1 to 3 years	3 to 5 years
Burteby Property: Acquisition	140,000	20,000	70,000	50,000
Exploration Commitments	200,000	50,000	100,000	50,000
Plumber Property; Exploration Commitments	2,000,000	300,000	1,700,000	0
Kenogami Property: Acquisition	95,000	10,000	45,000	40,000
Exploration Commitments	400,000	100,000	200,000	100,000
Holmes Property: Acquisition	285,000	30,000	100,000	155,000
Flavelle Property: Acquisition	285,000	30,000	100,000	155,000
Exploration Commitments	1,500,000	0	0	1,500,000
Island 27 Property: Exploration Commitments	3,000,000	750,000	2,250,000	0
Goldstrom Property: Acquisition	262,500	78,750	183,750	0
Exploration Commitments	3,045,000	157,500	787,500	2,100,000
Total	11,212,500	1,526,250	5,536,250	4,150,000

#### 4. Outlook

The Company plans to drill both in Nevada at its Goldstorm Property and Ontario at some of its Kirkland Lake properties in the Fall of 2010. The Company's cash position is roughly \$6.3 million that it plans to use on exploration and acquisition of mineral properties and general expenses.

#### 5. Transactions with Related Parties

For the period ended June 30, 2010, the Company paid or accrued \$12,250 for administration fees, \$17,500 for accounting fees and \$9,257 in consulting fees to Platinum Group Metals Ltd., a company related by virtue of common directors and officers.

For the period ended June 30, 2010, the Company paid or accrued \$36,695 for rent to Anthem Properties Group Ltd. and Anthem Works Ltd. respectively, companies related by virtue of a common director.

For the period ended June 30, 2010, the Company paid or accrued \$4,085 for management and consulting fees to R. Michael Jones, a director and officer of the Company.

Of the related party amounts described above, included in accounts payable and accrued liabilities at June 30, 2010 is \$32,772.

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

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### 6. Critical Accounting Estimates

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

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

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

Reclamation and closure costs have been estimated based on the Company's interpretation of current regulatory requirements, however changes in regulatory requirements and new information may result in revisions to estimates. The Company recognizes the fair value of liabilities for reclamation and closure costs in the period in which they are incurred. A corresponding increase to the carrying amount of the related assets is generally recorded and depreciated over the life of the asset.

The future income tax provision is based on the liability method. Future taxes arise from the recognition of the tax consequences of temporary differences by applying enacted or substantively enacted tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of certain assets and liabilities. The Company records a valuation allowance against any portion of those future income tax assets that it believes will, more likely than not, fail to be realized.

The Company adopted CICA Handbook Section 3870 – Stock-Based Compensation and other Stock-Based Payments, which requires the fair value method of accounting for stock options. Under this method, the Company is required to recognize a charge to the income statement based on an option-pricing model based on certain assumptions.

### 7. Changes in Accounting Policies

The Company's significant accounting policies are set out in Note 2 of the Company's unaudited financial statements for the period ended June 30, 2010.

#### *Adoption of new accounting standards*

##### (i) Goodwill and Intangible Assets

Effective January 1, 2009, the Company adopted the CICA Section 3064, *Goodwill and Intangible Assets*, replacing CICA Section 3062, *Goodwill and Other Intangible Assets*, and CICA Section 3450,

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Research and Development Costs. Collectively, these changes bring Canadian practice closer to International Financial Reporting Standards (IFRS) and U.S. GAAP. Section 3064 establishes the standards for recognition, measurement and disclosure of goodwill and intangible assets. While standards concerning goodwill are from the standards in the previous Section 3062, the provisions relating to the definition and initial recognition of intangible assets are equivalent to the corresponding provision of IFRS. The Company adopted these changes with no impact on its financial statements.

### (ii) Financial instruments – disclosures

CICA Section 3862, *Financial Instruments – Disclosures*, describes the disclosures related to the significance of financial instruments to the entity's financial position and performance and the nature and extent of risks arising for financial instruments to which the entity is exposed and how the entity manages those risks. CICA Section 3862 was amended in June 2009 to require disclosure about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

This amendment is effective for fiscal years ending after September 30, 2009. The Company currently does not have any financial instruments to which this amendment applies.

### (iii) EIC – 173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the EIC issued Abstract no. 173 ("EIC-173"). EIC-173 requires an entity to take into account its own credit risk and that of the relevant counterparty(ies) when determining the fair value of financial assets and financial liabilities, including derivative instruments. Adoption of EIC-173 has no impact on the Company.

### *Recent accounting pronouncements*

#### (a) International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board ("AcSB") will require all public companies to adopt IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will adopt IFRS as the basis for preparing its consolidated financial statements effective January 1, 2011. The adoption date of January 1, 2011 will require the restatement for comparative purposes of all quarterly results reported by the Company for the year ended December 31, 2010 as well as an opening IFRS balance sheet as of January 1, 2010.

Management anticipates completing its reporting conversion to IFRS on a timely basis under the following convergence plan.

#### Company's Convergence Plan

The conversion to IFRS is being led by the Company's Chief Financial Officer, along with other members of the finance group.

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The conversion project will be executed in accordance with the following four phases:

1. Review and Assessment
2. Planning and Design
3. Implementation
4. Post Implementation Review

The Company's main objective in the selection of IFRS policies and transition elections is to become IFRS compliant while ensuring it provides meaningful and transparent information to stakeholders. The audit committee of the Company will be kept informed of management's decisions on accounting policy choices under IFRS, project status and significant IFRS developments. Management will continue to monitor current IFRS developments as multiple changes are expected to come into effect as the Company transitions to IFRS.

### *Phase 1: Review and Assessment*

In this phase, management will conduct a detailed review of all relevant IFRS standards to identify differences with the Company's current accounting policies and practices, give separate consideration of one-time accounting policy alternatives that must be addressed at the changeover date (IFRS 1 considerations), and address those accounting policy choices that will be applied on an ongoing basis in periods subsequent to the changeover to IFRS.

To date, the Company has substantially completed its review of the significant IFRS differences between Canadian GAAP and IFRS. This assessment has provided insight into those areas that will be impacted by the conversion, and allowed the Company to prioritize those differences that could have a significant impact on its financial statements.

The most significant potential impact of accounting policy differences on the Company's consolidated financial statements relates to the accounting for deferred exploration costs and mineral rights. The Company is in the exploration stage and under Canadian GAAP currently capitalizes all costs related to the acquisition and exploration of its mining rights. Management regularly reviews the carrying value of mineral rights and deferred exploration costs for evidence of impairment, and when the carrying values are estimated to exceed their net recoverable amounts, a provision is made for the decline in value.

IFRS 6 "*exploration for and evaluation of mineral resources*," prescribes the financial reporting for the exploration for and evaluation of mineral resources. IFRS 6 does not require or prohibit any specific accounting policies for the recognition and measurement of exploration and evaluation assets. Under IFRS 6, an entity is permitted to continue to use its existing accounting policies provided that they result in information that is relevant to the economic decision making needs of users and that is reliable. A policy choice is therefore required under IFRS dictating whether the Company continues to capitalize costs related to the acquisition and exploration of its mining rights, or elects to expense them as incurred. If the latter choice is made, the opening January 1, 2010 IFRS balance sheet will show a nil carrying value for the Company's mineral rights and deferred exploration costs.

Management is also assessing the impact of IFRS adoption on the Company's internal controls over financial reporting, disclosure controls and procedures, information technology and data systems. As a preliminary assessment, the Company does not expect that the conversion to IFRS will have a significant impact on its accounting processes and internal controls (including information technology and data systems).

The Company does not expect the conversion to IFRS to have a significant impact on its risk management or other business activities. Currently, there are no matters that would be influenced by GAAP measures, such as debt covenants, capital requirements and compensation arrangements that would be impacted by the transition to IFRS.

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### *Phase 2: Planning and Design*

The Company will over the next few months engage in the project planning and design phase, which will include the evaluation of accounting policy alternatives and the investigation, development and documentation of solutions to resolve differences identified in phase 1 above. Management will also put forth recommendations to the Audit Committee regarding required and optional policy selections under IFRS 1 on conversion.

### *Phase 3: Implementation*

In this phase, management will implement the changes to affected accounting policies and practices, business processes, systems and internal controls. The changes will be tested prior to the formal reporting requirements under IFRS to ensure all significant differences are properly addressed in time for the changeover.

During this phase, management will prepare 2010 opening balance sheets and reconciliations of 2010 interim and year end statements to Canadian GAAP statements of the same periods. The target will be to prepare these statements as soon as practicable through 2010. It is expected that draft opening balance sheets will be prepared during the fourth quarter of 2010, allowing management adequate time to comply with reporting under IFRS in the first quarter of 2011.

### *Phase 4: Post Implementation*

A post implementation review will be performed early in 2011 to ensure full compliance with IFRS.

#### (b) CICA Handbook Section 1582, *Business Combinations* ("Section 1582")

Section 1582 applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011, with early adoption permitted. This section changes the accounting basis for business combinations to an "entity" basis from the parent company perspective previously applied under Canadian GAAP. The Company has not yet determined the impact of the adoption of this new section on the financial statements.

#### (c) CICA Handbook Section 1601, *Consolidated Financial Statements* ("Section 1601") and Section 1602, *Non-Controlling Interest* ("Section 1602")

CICA Sections 1601 and 1602 replace CICA Section 1602, *Consolidated Financial Statements*, and apply to fiscal years beginning on or after January 1, 2011, with early adoption permitted. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 102 establishes standards for accounting for a no-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The Company has not yet determined the impact of the adoption of this new section on the financial statements.

## **8. Financial Instruments and Other Instruments**

The Company has designated its cash as held-for-trading, and it is measured at fair value, with changes in fair value being recorded in net loss. Accounts receivable are classified as loans and receivables and are measured at amortized costs. Accounts payable and accrued liabilities are classified as other financial liabilities and are recorded at amortized cost. The company had neither available for sale, nor held to maturity financial instruments during the period from January 1, 2010 to June 30, 2010. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their capacity for prompt liquidation.

# West Kirkland Mining Inc.

## Management's Discussion and Analysis For the three and six months ended June 30, 2010

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### 9. Risks and Uncertainties

The Company's securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the Company's Canadian regulatory filings prior to making an investment in the Company.

#### General

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, which, though present, are insufficient in quantity and/or quality to return a profit from production.

#### ***The Company's business is subject to exploration and development risks***

All of the Company's properties are in the exploration stage and no known reserves have been discovered on such properties. At this stage, favorable results, estimates and studies are subject to a number of risks, including, but not limited to:

- the limited amount of drilling and testing completed to date;
- the preliminary nature of any operating and capital cost estimates;
- the difficulties inherent in scaling up operations and achieving expected metallurgical recoveries;
- the likelihood of cost estimates increasing in the future; and
- the possibility of difficulties procuring needed supplies of electrical power and water.

There is no certainty that the expenditures to be made by us or by our joint venture partners in the exploration of the properties described herein will result in discoveries of precious metals in commercial quantities or that any of our properties will be developed. Most exploration projects do not result in the discovery of precious metals and no assurance can be given that any particular level of recovery of precious metals will in fact be realized or that any identified resource will ever qualify as a commercially mineable (or viable) resource which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permit regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of precious metals ultimately discovered may differ from that indicated by drilling results. There can be no assurance that precious metals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

#### ***Economic and Political instability may affect the Company's business***

Since mid-calendar 2008 until early 2009 there had been a negative trend with regard to the market for metal commodities and related products as a result of global economic uncertainty, reduced confidence in financial markets, bank failures and credit availability concerns. Markets have shown an improving trend since that time, but macro-economic events could still negatively affect the mining and minerals sectors in general. The Company will consider its business plans and options carefully going forward in 2010 and beyond. Based on current and expected metal prices and cost structures, management has determined that the values of the Company's mineral properties have not been impaired at this time.

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### ***The Company is subject to risk of fluctuations in the relative values of the Canadian Dollar as compared to the U.S. Dollar***

The Company may be adversely affected by foreign currency fluctuations. The Company is primarily funded through equity investments into the Company denominated in Canadian Dollars. In the normal course of business the Company enters into transactions for the purchase of supplies and services denominated in Canadian and U.S. Dollars. The Company also has cash and certain liabilities denominated in U.S. Dollars. One of the Company's options to acquire properties or surface rights in the United States may result in payments by the Company denominated in U.S. Dollars. Exploration, development and administrative costs to be funded by the Company in the United States will also be denominated in U.S. Dollars. Fluctuations in the exchange rates between the Canadian Dollar and the U.S. Dollar may have an adverse or positive effect on the Company.

### ***The Company's properties are subject to title risks***

The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. These defects could adversely affect the Company's title to such properties or delay or increase the cost of the development of such properties. In addition, the Company's properties may be subject to aboriginal or other historical rights that may be claimed on Crown properties or other types of tenure with respect to which mineral rights have been conferred. The Company is not aware of any aboriginal land claims having been asserted or any legal actions relating to native issues having been instituted with respect to any of the mineral properties in which the Company has an interest. The Company is aware of the mutual benefits afforded by co-operative relationships with indigenous people in conducting exploration activity and is supportive of measures established to achieve such co-operation.

### ***Environmental risk***

Environmental legislation on a global basis is evolving in a manner that will ensure stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessment of proposed development and a higher level of responsibility for companies and their officers, directors and employees. There is no assurance that future changes to environmental legislation in Canada or the United States will not adversely affect the Company's operations. Environmental risks may exist on properties in which the Company holds interests which are unknown at present and which have been caused by previous or existing owners or operators. Furthermore, future compliance with environmental reclamation, closure and other requirements may involve significant costs and other liabilities. In particular, the Company's operations and exploration activities are subject to Canadian and United States national and provincial laws and regulations governing protection of the environment. Such laws are continually changing, and in general are becoming more restrictive.

### ***The mineral exploration industry is extremely competitive***

The resource industry is intensely competitive in all of its phases, and the Company competes with many companies that possess greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable new producing properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel.

### ***Metal prices affect the success of the Company's business***

Metal prices have historically been subject to significant price fluctuation. No assurance may be given that metal prices will remain stable. Significant price fluctuations over short periods of time may be generated by numerous factors beyond the control of the Company, including domestic and international economic

# West Kirkland Mining Inc.

## Management's Discussion and Analysis For the three and six months ended June 30, 2010

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and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increases or decreases in production due to improved mining and production methods. Significant reductions or volatility in metal prices may have an adverse effect on the Company's business, including the economic attractiveness of the Company's projects, the Company's ability to obtain financing and, if the Company's projects enter the production phase, the amount of the Company's revenue or profit or loss.

### 10. Disclosure on Internal Controls

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

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

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

### 11. Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Net Loss and Comprehensive Loss contained in its unaudited interim consolidated financial statements for the six months ended June 30, 2010.

### 12. Outstanding Share Data

The Company has an unlimited number of common shares authorized for issuance without par value. At June 30, 2010 there were 22,254,500 common shares outstanding, 1,320,000 incentive stock options outstanding and 814,000 common share purchase warrants outstanding and at August 26, 2010 there were 22,254,500 common shares outstanding, 1,570,000 incentive stock options outstanding and 814,000 common share purchase warrants outstanding. During the period ending June 30, 2010, the

# West Kirkland Mining Inc.

## Management's Discussion and Analysis For the three and six months ended June 30, 2010

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Company made no changes to the exercise price of outstanding options through cancellation and reissuance or otherwise.

In connection with the completion of the acquisition of WK Mining on May 28, 2010, a total of 6,120,000 of the Company's shares held by directors and other related parties of the Company were placed in escrow. Under the terms of the escrow agreement 10% or 612,000 shares were released on the completion of the acquisition, and of the remaining 5,508,000 escrowed shares, 918,000 shares will be released semi-annually commencing November 28, 2010 and ending May 28, 2013.

### ADDITIONAL INFORMATION

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

### Approval

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

### List of Directors and Officers:

Directors: R. Michael Jones  
Frank Hallam  
Eric Carlson  
Pierre Lebel

Officers: R. Michael Jones (President and Chief Executive Officer)  
Frank Hallam (Chief Financial Officer and Corporate Secretary)