CENTURY IRON MINES CORPORATION

(An exploration stage mining company)

Management's Discussion and Analysis

of Financial Conditions and Results of Operations

for the Year Ended March 31, 2013

This Management's Discussion and Analysis ("MD&A") of Century Iron Mines Corporation (TSX: FER) (the "Company" or "Century Iron") was prepared as of June 27, 2013. The MD&A provides a review of the financial conditions and results of operations of the Company to assist readers in understanding and evaluating the significant changes in the Company as at and for the year ended March 31, 2013. This MD&A should be read in conjunction with the consolidated financial statements and notes thereto of the Company for the year ended March 31, 2013.

Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com, including the Company's most recent annual information form.

Management is responsible for the preparation of the financial statements and MD&A. The Company's consolidated financial statements for the year ended March 31, 2013 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Notes 2 to 4 of the Company's consolidated financial statements for the year ended March 31, 2013 set out in the IFRS accounting principles applied in preparing the financial statements.

The Company's reporting currency is Canadian Dollars. Unless stated otherwise, all dollar figures in this MD&A are expressed in Canadian Dollars.

This MD&A contains forward-looking statements and should be read in conjunction with the discussions in the "Risks and Uncertainties" and "Cautionary Statement Regarding Forward-Looking Statements" sections at the end of this MD&A. This MD&A also contains technical information, which should be read in conjunction with the "Cautionary Statement Regarding Technical Information" section at the end of this MD&A.

COMPANY INFORMATION

In this Management's Discussion and Analysis, the terms "Company" or "Century Iron" refer to Century Iron Mines Corporation and all its subsidiaries together unless the context otherwise clearly requires. Certain terms used herein are defined in the technical report from the applicable disclosure was taken.

Century Iron Mines Corporation is incorporated under the *Canada Business Corporations Act*. It was originally incorporated under the name "Red Rock Capital Corp." and changed its name to "Century Iron Mines Corporation" on May 16, 2011, upon the completion of the Qualifying Transaction through which it ceased being a capital pool company and became an active company listed on the TSX Venture Exchange. In September 2011, the Company graduated to the Toronto Stock Exchange.

Century Iron owns its mineral properties and conducts mineral exploration activities on its Altius properties ("Altius Properties") itself, and all other properties through the following direct and indirect wholly-owned subsidiaries:

- Century Iron Ore Holdings Inc. ("Century Holdings"), a holding company;
- Grand Century Iron Ore Inc. ("Grand Century"), a holding company;
- Canadian Century Iron Ore Corporation ("Canadian Century"), a holding company and the owner of the Company's 65% interest in its Duncan Lake property ("Duncan Lake Property"); and
- 0849873 BC Ltd. ("0849873"), the owner of the Company's interest in the Sunny Lake Joint Venture and a 60% interest in WISCO Century Sunny Lake Iron Mines Limited, the operator of the Sunny Lake Joint Venture, which is the registered owner of a 100% interest in Sunny Lake property ("Sunny Lake Property").

Century Holdings is also the majority shareholder of Labec Century Iron Ore Inc. ("Labec Century"), a joint venture company owned by Century Holdings and WISCO Attikamagen. Labec Century holds a 56% registered interest in the Attikamagen property ("Attikamagen Property") and has funded sufficient expenditures to increase its interest in the Attikamagen Property to 60%.

Each of Century Holdings, Grand Century, Canadian Century, Labec Century and 0849873 are incorporated under the *Business Corporations Act* (British Columbia) (the "BCBCA").

The head and registered office of the Company is located at Suite 1301, 200 University Avenue, Toronto, Ontario, Canada M5H 3C6, telephone (416) 977-3188, facsimile (416) 977-8002. The Company's website address is www.centuryiron.com.

MINERAL EXPLORATION PROPERTIES OVERVIEW

The Company is the direct/indirect owner of interests in four properties on which it conducts exploration activities. Three of these properties are currently material to the Company, namely the Attikamagen Property and the Sunny Lake Property, both of which are located in the area of Northeastern Québec and Western Labrador known as the "Labrador Trough", and the Duncan Lake Property, which is located in the James Bay region of Northwestern Québec. The fourth property, which the Company refers to as the Altius Properties, is also located in the Labrador Trough and is described below under "Other Properties". Presently, the Altius Properties are not considered material to the Company.

During the fiscal year ended March 31, 2013, Century Iron's most significant achievements were the completion of preliminary economic assessment reports on the Company's Joyce Lake property ("Joyce Lake Property") (report dated May 8, 2013) and Duncan Lake Property (report issued May 6, 2013). In addition, during the same period mineral resource evaluation reports were prepared on Century Iron's Joyce Lake Property (issued April 18, 2013) and Hayot Lake taconite deposit (issued November 9, 2012) (the "Hayot Lake Property"), both located on Century Iron's Attikamagen Property, its Full Moon taconite deposit (issued December 6, 2012) (the "Full Moon Property"), located on the Company's Sunny Lake Property, and its Duncan Lake Property (issued October 11, 2012). These reports and the exploration work and results underlying them have helped to solidify the Company's position as one of the largest holders of mineral resource claims over identified and potential iron deposits in Canada.

Attikamagen Property

Joyce Lake Property

Joyce Lake PEA Results

The Company received a report entitled "Preliminary Economic Assessment (PEA) Study Report for the Joyce Lake DSO Project" dated May 8, 2013 ("Joyce Lake PEA"). The report was prepared by CIMA+. The Joyce Lake Property is located in the Province of Newfoundland and Labrador near Schefferville, Québec.

A summary of the Joyce Lake PEA results (based on 100% ownership of the Joyce Lake Property) is as follows:

- Net Present Value ("NPV") of $90.4 M (pre-tax) and $51.8M (after-tax) at 8% discount rate
- Internal Rate of Return ("IRR") of 37% (pre-tax) and 27.1% (after-tax)
- Pre-tax Payback estimated at 2.5 years (pre-tax) and 2.6 years (after-tax) (years from production start-up)
- Mine life 4 years at 2 million tonnes per year ("Mtpy") of lump and sinter fines
- Initial Project Capex of $96.6 M
- Average total operating cost of $62.80/tonne of product (lump and sinter fines)
- Estimate with an accuracy of -15% and +30%

The Joyce Lake PEA results are based on production of 1 Mtpy for the first year and 2 Mtpy of product for the remaining years (35% of lump and 65% sinter fines). The mining activities will be year-round, but mineralized rock will be hauled across Iron Arm Bay of Lake Attikamagen by an ice bridge during winter. The mineralized rock will be sized using crushing and screening equipment (dry process). The lump and sinter fines will be hauled by truck 28 kilometres to a new rail loop. The two products will be loaded by wheeled loader into rail cars. The Project envisaged is a mix of local and fly-in/fly-out operations, with camps near the crushing and screening plant.

Important caution regarding the economic analysis

The economic analysis contained in this report is preliminary in nature. It incorporates inferred mineral resources that are considered too geologically speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. It should not be considered a prefeasibility or feasibility study. There can be no certainty that the estimates contained in this report will be realized. In addition, mineral resources that are not mineral reserves do not have demonstrated economic viability.

The results of the economic analysis are forward-looking information that is subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those presented here.

For further information regarding the results of the Joyce Lake PEA, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Joyce Lake Report-Mineral Resource Statement

On April 18, 2013, the NI 43-101 compliant technical report on the mineral resources of the Joyce Lake Property was filed on SEDAR. The report was prepared by SGS Canada Inc. The report entitled "NI 43-101 Technical Report, Joyce Lake DSO Iron Project, Newfoundland & Labrador" dated April 18, 2013 prepared by SGS Canada Inc. – SGS Geostat Group ("Joyce Lake Report"). The Joyce Lake Property shows 10 million tonnes of measured and indicated mineral resources at an average grade of 59.45% total iron (Fe) plus an additional 5.6 million tonnes of inferred minerals resources, at a cutoff grade of 50% total iron.

Mineral Resource Statement of the Joyce Lake Property

Cut-Off 55% Fe	Tonnes	%Fe	%SiO_2	%Al_2O_3	%Mn
Measured	4,050,000	62.31	7.42	0.58	0.93
Indicated	3,500,000	60.82	9.28	0.60	1.06
M+I	7,550,000	61.62	8.29	0.59	0.99
Inferred	2,700,000	59.62	11.82	0.49	0.48

Cut-Off 50% Fe	Tonnes	%Fe	%SiO_2	%Al_2O_3	%Mn
Measured	5,050,000	60.44	10.21	0.58	0.88
Indicated	4,950,000	58.44	12.77	0.62	0.98
M+I	10,000,000	59.45	11.48	0.60	0.93
Inferred	5,600,000	55.78	17.50	0.47	0.46

Note: The resource estimate was restricted within the interpreted mineralized envelop. Specific gravity of 3.2 was used. All numbers are rounded. The base case for public disclosure is the statement with Fe cut-off of 50%.

Mineral resources are not mineral reserves and do not have a demonstrated economic viability. The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors and the other risk factors discussed in the Company's most recent Annual Information Form.

For further information regarding the results of the Joyce Lake Report, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Hayot Lake Property

A mineral resource evaluation was completed on the Hayot Lake Property. The report, entitled "Mineral Resource Evaluation, Hayot Lake Taconite Iron Project, Schefferville, Québec", is dated November 9, 2012 and was prepared by SRK Consulting (Canada) Inc. ("Hayot Lake Report"). According to the Hayot Lake Report, the Hayot Lake Property is estimated to contain an inferred mineral resource of 1.7 billion tonnes grading an average of 31.25% total iron at a cut-off grade of 20% total iron. The initial mineral resource statement provided by SRK Consulting (Canada) Inc. includes the following key results:

Mineral Resource Evaluation* Hayot Lake Taconite Iron Project, Schefferville, Québec, SRK Consulting (Canada), September 25, 2012

	Tonnes (in millions)	Specific Gravity	Total Iron Fe (%)
Inferred Mineral Resources	1,723	3.25	31.25

* Reported at a cut-off grade of 20 percent total iron inside a conceptual pit envelope optimized considering reasonable open pit mining, processing and selling technical parameters and costs benchmark against similar taconite iron projects and a selling price of US$110 per dry metric tonne of iron concentrate. All figures are rounded to reflect the relative accuracy of the estimates.

Mineral Resources are not Mineral Reserves and do not have a demonstrated economic viability. The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors and the other risk factors discussed in the Company's most recent Annual Information Form.

For further information regarding the results of the Hayot Lake Report, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Attikamagen Property Ownership

The Company's interests in the Attikamagen Property are held through Labec Century, a joint venture company in which it shares ownership with WISCO Attikamagen Resources Development and Investment Limited ("WISCO Attikamagen"), a subsidiary of WISCO International Resources Development & Investment Limited ("WISCO"). Labec Century has a registered 56% interest in the Attikamagen Property, and sufficient exploration expenditures on this project have been funded for Labec Century to hold a 60% interest in the project pursuant to the Company's option and joint venture agreement with Champion Iron Mines Limited (formerly Champion Minerals Inc.). The ownership and management of Labec Century is governed by a shareholders agreement dated December 19, 2011 among the Company, Century Holdings, WISCO and WISCO Attikamagen ("Attikamagen Shareholders Agreement"). This shareholders agreement contemplates an aggregate investment of $40 million by WISCO into Labec Century in consideration for a 40% equity interest in Labec Century. WISCO Attikamagen completed its initial $20 million investment into Labec Century on September 26, 2012 and is the owner of 40% of the outstanding voting non-equity shares of Labec Century and 25% of the non-voting equity common shares of Labec Century as of the date of this MD&A. The balance of the $20 million investment is to be advanced by WISCO to Labec Century by September 26, 2013, upon which WISCO (or WISCO Attikamagen) will be entitled to a further 15% of the non-voting equity common shares of Labec Century (for a total of 40%)

Sunny Lake Property

Full Moon Taconite Deposit

The Full Moon Taconite Deposit, which is part of the Sunny Lake Property, is located 85 kilometres northeast of Schefferville, Québec. In 2012, 117 drill holes were completed totaling 24,555 metres compared to 31 drill holes totaling 6,387 metres in 2011.

Preliminary drilling shows the thickness of the iron formation to be greater than 100 metres.

Full Moon Report

A mineral resource evaluation was completed on the Full Moon Taconite Deposit in 2012. The report, entitled "Mineral Resource Evaluation, Full Moon Taconite Iron Deposit, Rainy Lake Property, Schefferville, Québec", dated December 6, 2012 and prepared by SRK Consulting (Canada) Inc. ("Full Moon Report"), reported the following mineral resource evaluation:

Mineral Resource Evaluation* Full Moon Taconite Iron Deposit, Rainy Lake Property, Schefferville, Québec, SRK Consulting (Canada) Inc., October 22, 2012

	Tonnes (in millions)	Total Iron Fe (%)
Indicated Mineral Resources	7,260	30.18
Inferred Mineral Resources	8,694	29.86

* Reported at a cut-off grade of 20 percent total iron inside a conceptual pit envelope optimized considering reasonable open pit mining, processing and selling technical parameters and costs benchmark against similar taconite iron projects and a selling price of US$110 per dry metric tonne of iron concentrate. All figures are rounded to reflect the relative accuracy of the estimates.

Mineral Resources are not Material Reserves and do not have a demonstrated economic viability. The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors and the other risk factors discussed in the Company's most recent Annual Information Form.

For further information regarding the results of the Full Moon Report, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Sunny Lake Property Ownership

On December 19, 2011, the Company entered into a definitive joint venture agreement (the "Sunny Lake JV Agreement") with 0849873, WISCO and WISCO Canada Sunny Lake

Resources Development & Investment Limited ("WISCO Sunny Lake"), a wholly-owned subsidiary of WISCO, in respect of the contractual joint venture (the "Sunny Lake Joint Venture") to be formed between 0849873 and WISCO Sunny Lake for the exploration and development of the Sunny Lake Property. Under the terms of the Sunny Lake JV Agreement, the Company agreed to contribute its interest in the Sunny Lake Property for a 60% voting and participating interest in the Sunny Lake Joint Venture. WISCO, in turn, agreed to invest $40 million in exchange for a 40% voting and participating interest.

Further to the Sunny Lake JV Agreement, the parties incorporated WISCO Century Sunny Lake Iron Mines Limited as the operator of the Sunny Lake Joint Venture (the "Sunny Lake Operator") in advance of the formation of the Sunny Lake Joint Venture. The Sunny Lake Operator is owned 60% as to 0849873 and 40% as to WISCO Sunny Lake.

The mineral claims comprising the Sunny Lake Property were transferred to the Sunny Lake Operator in advance of the formation of the Sunny Lake Joint Venture. Effective upon formation of the Sunny Lake Joint Venture, the Sunny Lake Operator executed a trust deed confirming that it holds the mineral claims comprising the Sunny Lake Property in trust for 0849873 and WISCO Sunny Lake in accordance with their respective interests in the Sunny Lake Joint Venture, which are currently 82.9% in favour of 0849873 and 17.1% in favour of WISCO Sunny Lake.

Duncan Lake Property

Duncan Lake PEA Results

A preliminary economic assessment was completed on the Duncan Lake Property in 2013. The report, entitled "Preliminary Economic Assessment of the Duncan Lake Iron Property, James Bay, Québec, Canada" with an effective date of March 22, 2013 and an issue date of May 6, 2013, was prepared by Met-Chem Canada Inc. ("Duncan Lake PEA"). The economic analysis results presented in the Duncan Lake PEA are as follows:

Economic Analysis

The pre-tax economic analysis results are summarized as:

- Net Present Value ("NPV") of $4.1 billion at an 8% discount;
- Internal Rate of Return ("IRR") of 20.1 %;
- Payback period of 4.2 years;

- Mine life of 20 years at 12 Mtpy of pellet production;
- Cost estimate accuracy of ± 35%.

The post-tax economic analysis results are summarized as

- Net Present Value of $2.2 billion at an 8% discount;
- Internal Rate of Return ("IRR") of 15.9 %;
- Payback period of 4.8 years;
- Mine life of 20 years at 12 Mtpy of pellet production;
- Cost estimate accuracy of ± 35%.

The economic assumptions used in the analyses presented in the Duncan Lake PEA are summarized as:

- USD 125 per tonne of 62% iron concentrate, CFR China (basis);
- USD 134 per tonne for 66.3% Fe grade of Duncan Lake Pellet;
- Iron Pellet Premium of USD 35 per tonne;
- Transport cost to China USD 35 per tonne;
- Transport cost to Europe USD 15 per tonne;
- Ship loading costs USD 2 per tonne;
- Market split LOM tonnage of pellets shipped to China: Europe assumed at 70:30;
- Weighted average CFR price of USD 169 per tonne of Duncan Lake pellet;
- Life of Mine for financial analysis 20 years;
- Exchange rate at par for 2013 to 2017 and 0.95 USD/CAD for 2018 and beyond;
- Fuel prices of $1.05 per liter of diesel and $0.62 per liter of bunker C (pellet plant);
- Electricity rate of $0.09 per kWh for mine and concentrator (primary transformation) and $0.045 per kWh for secondary transformation and pellet plant;

- Mine mobile production and auxiliary equipment are leased;
- Camp facilities are leased.

Important caution regarding the economic analysis

The economic analysis contained in this report is preliminary in nature. It incorporates inferred mineral resources that are considered too geologically speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. It should not be considered a prefeasibility or feasibility study. There can be no certainty that the estimates contained in this report will be realized. In addition, mineral resources that are not mineral reserves do not have demonstrated economic viability.

The results of the economic analysis are forward-looking information that is subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those presented here.

For further information regarding the results of the Duncan Lake PEA, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Duncan Lake Report

In 2012, the Company received a technical report prepared in compliance with NI 43-101 on the Duncan Lake Property. The report, entitled " NI 43-101 Technical Report on the Mineral Resources of the Duncan Lake Iron Project, James Bay Area, Québec, Canada", has an effective date of August 24, 2012 and an issue date of October 11, 2012 and was issued by Met-Chem Canada Inc. ("Duncan Lake Report"). The mineral resource estimate presented in the Duncan Lake Report is as follows:

Summary of the Mineral Resource (Cut-Off of 16% Head Fe)

Mineral Resource Category	Tonnes (Million)	Fe (%)	DTWR (%)	DT Fe (%)	DT SiO2 (%)
Measured	405.6	23.92	26.78	67.26	5.25
Indicated	644.9	24.73	28.09	66.87	5.60
Measured + Indicated	**1,050.5**	**24.42**	**27.58**	**67.02**	**5.46**
Inferred	563.1	24.69	27.97	66.46	6.03

Note 1: DTWR % is the Davis Tube Weight Recover; DT Fe % is the Davis Tube Fe Concentrate Grade.

Note 2: Total tonnage may vary due to rounding.

Note 3: Resource estimate is based on all six Duncan Lake zones.

Mineral Resources are not Mineral Reserves and do not have a demonstrated economic viability. The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors and the other risk factors discussed in the Company's most recent Annual Information Form.

For further information regarding the results of the Duncan Lake Report, please refer to the full report as filed on the Company's website (www.centuryiron.com) or under the Company's profile at www.sedar.com.

Duncan Lake Property Ownership

The Duncan Lake Property is the subject of an option and joint venture agreement between Canadian Century and Augyva Mining Resources Inc. ("Augyva") dated May 20, 2008 ("Duncan Lake Joint Venture Agreement"). In October 2012, Canadian Century notified Augyva that it has spent a further $14 million on the project. Pursuant to the Duncan Lake Joint Venture Agreement, Canadian Century has earned a cumulative 65% interest in the Duncan Lake Property. Canadian Century and Augyva formed a contractual joint venture for the exploration, and if warranted, development and exploitation of the Duncan Lake Property and the operation of any mine or mines to be constructed on the property.

The Company has been engaged in discussions with WISCO regarding a shareholders agreement proposed to be entered into for the Duncan Lake Property. This shareholders agreement would govern WISCO's investment in the Duncan Lake Property ("Duncan Lake Shareholders Agreement"). The Company presently anticipates that the ultimate Duncan Lake Shareholders Agreement will include certain terms that are different from the proposed material terms original disclosed in the Company's Annual Information Form for the year ended March 31, 2012 available on SEDAR ("2012 AIF"). The Company cautions that these discussions are still in progress and subject to finalization. Currently, the Duncan Lake Property is not held under a joint venture with WISCO.

Altius Properties

The Altius Properties were acquired in 2011 from a party that retains a 1% to 4% sliding scale gross sales royalty on the properties. On November 18, 2011, the Company issued 2,000,000 common shares to the party from whom it acquired this property. A further 3,000,000 common shares are issuable by November 18, 2013.

In November 2012, the Company sold an 80% interest in a substantial portion of the Astray property (which is part of the Altius Properties) to Northern Star Minerals Ltd., and retained a 20% interest in that property.

SELECTED EXPLORATION EXPENDITURES

The following is a summary of the exploration expenditures incurred by the Company on its properties during the fiscal year ended March 31, 2013.

	Duncan Lake Property	Attikamagen Property	Sunny Lake Property	Altius Properties	Other	Total
	($)	($)	($)	($)	($)	($)
Balance - April 1, 2011	6,428,717	6,810,765	886,831	-	104,694	14,231,007
Additions, net of investment tax credits	10,560,601	9,759,059	6,688,925	5,336,228	110,683	32,455,496
Balance - March 31 and April 1, 2012	16,989,318	16,569,824	7,575,756	5,336,228	215,377	46,686,503
Additions, net of investment tax credits	(1,259,874)	5,017,831	8,407,663	4,155,739	417,352	16,738,711
Deemed disposal of Labec Century	-	(21,587,655)	-	-	-	(21,587,655)
Disposal of Astray-X property	-	-	-	(2,208,473)	-	(2,208,473)
Balance - March 31, 2013	15,729,444	-	15,983,419	7,283,494	632,729	39,629,086

OUTLOOK

The Company's plans for its active projects in fiscal year of 2013/14 are as follows:

Attikamagen Property

- Joyce Lake DSO Project: The Company plans to initiate a feasibility study through its joint venture, Labec Century, in the fiscal year 2013/14. It is anticipated that the exploration program will include in-fill drilling of the currently defined ore body and orientation and resource definition drilling of its extension and surrounding area with the hope of upgrading its current resources, expanding beyond its current resource boundaries and increasing the DSO resource base, with the objective of sustaining and growing the operation.

- Century Iron anticipates that the study and program will be fully covered by Labec Century's financial resources and by the additional capital contribution from WISCO which Labec Century should receive according to the Attikamagen Shareholders Agreement.

Sunny Lake Property

- Full Moon iron deposit (taconite): The Company is targeting the completion of a preliminary economic assessment of the Full Moon iron deposit, which is under way, in the fall of 2013.

- DSO targets: The Company also plans to commence the resource definition drilling of Prospect #3 and #8 DSO targets of Lac Le Fer in the 2013 field season.

- These activities are to be funded from WISCO as it provides the funds required for WISCO to earn a 40% voting and participating interest in the Sunny Lake Property under the terms of the Sunny Lake JV Agreement.

Altius Properties

- During the coming field season, the Company plans to continue the next phase of active exploration programs of the projects with the objective of adding resources to the future operations of the Company.

- Century Iron expects that the exploration programs on these properties will be funded from the available cash reserves of the Company.

SUMMARY OF FINANCIAL RESULTS

The Company's financial statements are presented in Canadian Dollars and are prepared in accordance with IFRS.

Selected Annual Information

Years ended	**March 31, 2013 ($)**	**March 31, 2012 ($)**	**March 31, 2011 ($)**
Other operating income	576,824	1,015,404	77,500
Profit / (loss) for the year	35,150,226	(15,655,283)	(1,643,156)
Basic and diluted earnings / (loss) per share	0.37	(0.18)	(0.05)
Total assets	151,376,737	123,154,655	20,357,460
Total non-current liabilities	46,613	37,722	280,979
Shareholder's equity	147,858,630	109,369,932	2,054,409

Summary of Quarterly Results

Quarters ended	**March 31, 2013 ($)**	**December 31, 2012 ($)**	**September 30, 2012 ($)**	**June 30, 2012 ($)**
Other operating income	83,511	117,379	169,321	206,613
Profit / (loss) for the period	(9,042,478)	(3,099,934)	49,891,901	(2,599,263)
Basic and diluted earnings / (loss) per share	(0.096)	(0.033)	0.526	(0.027)
Total assets	151,376,737	160,736,736	173,692,875	121,069,302
Shareholder's equity	147,858,630	156,763,653	159,178,114	107,955,831

Quarters ended	**March 31, 2012 ($)**	**December 31, 2011 ($)**	**September 30, 2011 ($)**	**June 30, 2011 ($)**
Other operating income	372,654	252,725	290,690	99,335
Loss for the period	(1,294,672)	(4,143,245)	(3,456,772)	(6,760,594)
Basic and diluted loss per share	(0.014)	(0.044)	(0.037)	(0.096)
Total assets	123,154,655	122,532,798	122,759,857	118,840,927
Shareholder's equity	109,369,932	109,248,530	107,640,143	109,749,824

RESULTS OF OPERATIONS

This section should be read in conjunction with the consolidated statements of comprehensive profit for the year ended March 31, 2013 and the notes associated therewith. All references to 2013 and 2012 refer to those years ended March 31, unless otherwise stated.

Overview

The Company does not have any material revenues as it is an exploration stage company.

While the Company reported a profit of $35,150,226 for the year ended March 31, 2013, the profit is solely attributable to the one-time gain from the deemed disposal of Labec Century described below. Excluding this one-time gain, the Company had a loss of $12,572,032 for the year ended March 31, 2013 compared to a loss of $15,655,283 for the year ended March 31, 2012, which was primarily attributable to the reasons illustrated below.

Analysis of Results of Operations for the year ended March 31, 2013 compared with the year ended March 31, 2012

The Company reported a profit of $35,150,226 for the year ended March 31, 2013 compared to a loss of $15,655,283 for the comparable year of 2012.

The Company recorded a gain of $47,722,258 from the deemed disposal of Labec Century in 2013. On September 26, 2012, the initial closing procedures prescribed in the Attikamagen Shareholders Agreement were completed, with WISCO Attikamagen purchasing from Labec Century (i) 40 million Class A voting non-equity common shares, representing 40% of the outstanding voting non-equity common shares of Labec Century, for $4,000, and (ii) 20 million Class B non-voting equity shares, representing 25% of the outstanding non-voting equity common shares of Labec Century, for $20 million. As part of a reorganization completed prior to the initial closing procedures, Century Holdings (i) purchased 60 million Class A voting non-equity shares, representing 60% of the outstanding voting non-equity common shares of Labec Century, for $6,000, and (ii) exchanged its then outstanding common shares of Labec Century for 60 million Class C non-voting equity shares, representing 75% of the outstanding non-voting equity shares of Labec Century. WISCO Attikmagen further agreed to purchase an additional 20 million

Class B non-voting equity shares for a subscription price of $20 million by September 26, 2013, which would increase its ownership to 40% of the non-voting equity shares of Labec Century and reduce Century Holdings' ownership to 60% of the non-voting equity shares upon completion. As a result of completion of these initial closing transactions, Labec Century ceased to be a subsidiary and became a joint venture of the Group that is accounted for in accordance with IFRS 11 *Joint Arrangements*. The gain is calculated as the difference between the fair value of investment retained in Labec Century and the net assets of Labec Century disposed of, adjusted for the profit on intercompany management fee charged to Labec Century and the subsequent acknowledgement of contribution to capital of advances by Century Holdings to Labec Century.

Excluding this one-time gain, the Company had a loss of $12,572,032 for the year ended March 31, 2013, which is $3,083,251 less than the loss for the year ended March 31, 2012. The principal factors for this decrease are as follows:

- Administrative expenses were $12,891,182 in 2013 compared to $16,167,342 in 2012. The decrease was mainly attributable to the following major changes: an increase in salaries expense, an increase in rental and office expenses, an increase in advertising and promotion expenses, a decrease in consulting and professional fees, a decrease in listing fees and a decrease in stock option expense (as further explained below). Salaries expense increased as a result of expansion, while rental and office expenses increased following the leasing of new offices and setting and expansion of offices to handle increasing corporate activities and the exploration activities of the Company.

  A stock option expense of $8,469,210 was recorded in 2012 in connection with the granting of 5,935,000 stock options for the period from the completion of the Qualifying Transaction to March 31, 2012. In 2013, $4,100,971 stock option expense was recorded and 3,995,000 stock options were granted. The lower stock option expense in 2013 was mainly due to the lower option value calculated from the Black-Scholes option pricing model as the market price of the Company's shares on the dates of the option grant was lower in 2013.

- Other operating income was $576,824 in 2013 compared to $1,015,404 in 2012. The decrease was mainly due to the reduction of bank interest income as the Group's bank balance decreased. In addition, in 2012, a rental income was recorded in connection with the Company's lease of some of the Company's fixed assets to third parties. There was no such arrangement in 2013.

- Share of loss of a joint venture and an associate of $1,298 and $160,977 respectively in 2013. No such expenses were incurred in 2012. The amounts represent the portion of losses of the Group's 60% Labec Century (joint venture) and 20% Northern Star (associate) attributable to the Group under the equity method of accounting. Labec Century and Northern Star became the Group's joint venture and associate respectively during 2013.

- Income tax was an expense of $95,399 in 2013 compared to a recovery of $243,257 in 2012. The change in income tax was a result of a provision of current tax for the year, an underprovision of tax expense in prior years, the utilization of a previously unrecognized tax loss and the movement in deferred tax liabilities caused by the timing difference in fixed assets depreciation for accounting purposes and tax purposes.

Analysis of Results of Operations for the fourth quarter ended March 31, 2013 compared with the fourth quarter ended March 31, 2012

For the quarter ended March 31, 2013 (2013 Q4), the Company reported a loss of $9,042,478 compared to a loss of $1,294,672 for the comparable quarter in 2012 (2012 Q4).

The Company adjusted its gain from the deemed disposal of Labec Century in 2013 Q4 from $53,470,746 to $47,722,258. The adjustment reflects a subsequent acknowledgement of previous contributions to capital of advances by Century Holdings to Labec Century. The adjustment has been recognized as a reduction of receivable at March 31, 2013 amounting to $5,748,488 reflecting the lower repayment received by the Group from Labec Century in June 2013.

Excluding this one-time gain adjustment, the Company had a loss of $3,293,990 for 2013 Q4, which is $1,999,318 more than the loss for 2012 Q4. The principal factors for this increase are as follows:

- Administrative expenses were $3,119,827 in 2013 Q4 compared to $1,910,583 in 2012 Q4. The increase was mainly attributable to the following major changes: an increase in salaries expense, an increase in consulting and professional fees, an increase in rental and office expenses, a decrease in listing fees and a decrease in stock option expense (as further explained below). Salaries expense increased as a result of expansion, while rental and office expenses increased following the leasing of new offices and setting and expansion of offices to handle increasing corporate activities and the exploration activities of the Company.

Stock option expense was $748,794 in 2013 Q4 compared to $1,395,345 in 2012 Q4. The lower stock option expense in 2013 was mainly due to the lower option value calculated from the Black-Scholes option pricing model as the market price of the Company's shares on the dates of the option grant was lower in 2013.

- Other operating income was $83,511 in 2013 Q4 compared to $372,654 in 2012 Q4. The decrease was mainly due to the reduction of bank interest income as the Group's bank balance decreased. In addition, in 2012 Q4, a rental income was recorded for the lending out of the Company's fixed assets. There was no such arrangement in 2013 Q4.

- Share of loss of a joint venture and an associate of $1,298 and $160,977 respectively in 2013 Q4. No such expenses were incurred in 2012 Q4. The amounts represent the portion of losses of the Group's 60% joint venture Labec Century and 20% associate Northern Star attributable to the Group under the equity method of accounting. Labec Century and Northern Star became the Group's joint venture and associate respectively during 2013.

- Income tax was an expense of $95,399 in 2013 Q4 compared to a recovery of $243,257 in 2012 Q4. The change in income tax was a result of a provision of current tax for the year, an underprovision of tax expense in prior years, the utilization of a previously unrecognized tax loss and the movement in deferred tax liabilities caused by the timing difference in fixed assets depreciation for accounting purposes and tax purposes.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the consolidated statement of financial position and the consolidated statement of changes in equity as at March 31, 2013 and the consolidated statement of cash flows for the year ended March 31, 2013.

Consolidated Assets

Consolidated assets increased by $28,222,082 from $123,154,655 as at March 31, 2012 to $151,376,737 as at March 31, 2013. The major reasons for the increase were as follows:

- The increase in investment in a joint venture by $58,991,381. In accordance with IFRS, the Group recognized its investment in its joint venture, Labec Century, at fair value at the date of acquisition. As a result, the Group recognized approx. $59.5 million as its initial investment cost in Labec Century.

- The increase in accounts receivable by $13,705,364 from $154,271 as at March 31, 2012 to $13,859,635 as at March 31, 2013. The increase was mainly due to the recording of a receivable of $13,697,158 from Labec Century as of March 31, 2013. The balance with Labec Century is classified as the Group's accounts receivable in 2013 as it ceased to be the Group's subsidiary, whereas in 2012 it was eliminated in the Company's consolidated financial statements as it represented an intragroup balance.

- The decrease in cash and cash equivalents by $48,031,517 from $67,391,504 as at March 31, 2012 to $19,359,987 as at March 31, 2013. This decrease was primarily due to cash invested in the exploration and evaluation assets and used in operations.

Consolidated Liabilities

Consolidated liabilities decreased by $10,266,616 from $13,784,723 as at March 31, 2012 to $3,518,107 as at March 31, 2013. The decrease in liabilities was mainly due to the payment of the Company's accounts payable with vendors and repayment of an off-take deposit of US$8 million with a related party. The liabilities were repaid using Company funds.

Shareholder's Equity

Shareholder's equity increased by $38,488,698 from $109,369,932 as at March 31, 2012 to $147,858,630 as at March 31, 2013. The increase is mainly the result of the gain recorded by the Company for the deemed disposal of Labec Century in September 2012.

The following table summarizes changes in share capital during the year ended March 31, 2013:

	Number of common shares	Value $
Balance - April 1, 2012	94,864,071	115,310,770
Repurchase of common shares (a)	(389,913)	(287,543)
Balance - March 31, 2013	94,474,158	115,023,227

a) The Company initiated an automatic purchase plan under a normal course issuer bid beginning on September 12, 2012. The number of common shares authorized for purchase during the period of the bid from August 22, 2012 to August 21, 2013 would not exceed 500,000 common shares or approximately 0.5% of the issued and outstanding common shares. Daily purchases were limited to 4,503 common shares, save and except that the Company was permitted to make block purchases. All purchases made pursuant to the bid were made through the facilities of the TSX or other Canadian markets. Common shares so purchased were cancelled. As of March 31, 2013, the Company had repurchased for cancellation 389,913 common shares under the plan with an aggregate cost of $287,543.

DISCLOUSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had 94,307,571 common shares issued and outstanding and 9,870,000 stock options outstanding under the Company's Incentive Stock Option Plan.

SIGNIFICANT EQUITY INVESTEE

As of March 31, 2013, the Group owns 60% interest in the Labec Century Joint Venture. The summarized financial information of Labec Century is disclosed in the consolidated financial statements of the Company for the year ended March 31, 2013.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2013, the Company had cash and cash equivalents of $19,359,987 to settle current accounts payables and accrued liabilities of $3,283,984. The net working capital of the Company was $43,779,373 as at March 31, 2013. The Company's cash and cash equivalents are deposited with a major Canadian bank.

Subsequent to the balance sheet date, the Company received the reimbursement of exploration expenditures incurred on Sunny Lake Property of approx. $8.6 million from WISCO under the terms of Sunny Lake JV Agreement. The Company also received the repayment of approx. $11.4 million from Labec Century. This represents the amount of agreed upon exploration expenditures directly incurred on the Attikamagen Property.

The additional capital contribution by WISCO pursuant to the Sunny Lake JV Agreement and Attikamagen Shareholders Agreement are anticipated to be adequate to cover the respective project costs of WISCO and the Company for this fiscal year on the Attikamagen Property and the Sunny Lake Property. The current cash position of the Company is sufficient to cover corporate administrative expenditures over the next 12 months, projected at approximately $8 million, and the exploration commitments relating to the Altius Properties.

Given the current equity market conditions, the Company is pursuing non-equity financing opportunities and potential further joint venture arrangement with third parties to support the future development of the projects.

The Company's contractual obligations for the next five years and beyond are as follows:

	Payments due by period				
Contractual obligations	**Total ($)**	**Less than 1 year ($)**	**1-3 years ($)**	**4-5 years ($)**	**After 5 years ($)**
Operating lease commitments	1,922,096	708,586	1,213,510	-	-
Capital commitments	16,537,725	1,500,000	3,000,000	12,037,725	-
Total	18,459,821	2,208,586	4,213,510	12,037,725	-

The operating lease commitments are the minimum monthly lease payments due on the Company's offices, warehouses and staff quarters.

The above capital commitments are the minimum exploration expenditures for the Astray, Grenville, Menihek and Schefferville Properties, excluding Astray-X project, pursuant to the Altius Agreement.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

Transactions with related parties

In addition to transactions detailed elsewhere in this MD&A, the Company has the following related party transactions:

a. As of March 31, 2013, the Group had accounts receivable of $13,697,158 from Labec Century. The balance includes a receivable of $11,429,435 representing the amount of the audited exploration expenditures previously funded by the Group agreed to be reimbursed by Labec Century pursuant to the Attikamagen Shareholders Agreement. The Group received the repayment of $11,429,435 from Labec Century in June 2013.

b. As of March 31, 2013, the Group had accounts receivable of $16,950 (2012: $16,950) from Augyva. Sandy Chim, the President and CEO of Century Iron, is a director of Augyva, as is Michael Skutezky, the Company's Secretary.

c. During the year ended March 31, 2013, the Group disposed of its Astray-X property, a substantial portion of Astray property, at cost to Northern Star but retained a 20% interest in that property. Further details of the transaction are provided in the consolidated financial statements of the Company for the year ended March 31, 2013.

d. During the year ended March 31, 2013, the Group incurred professional services fees of $11,150 (2012: $45,457) from Chim and Seto Consulting Services Inc., in which an immediate family member of the President and CEO of the Group is a shareholder.

e. On October 10 and December 3, 2012, the Group repaid the refundable off-take deposit of US$8,000,000 to Prosperity Macao Commercial Offsore Limited, which shares common significant shareholders with the Group. The deposit was non-interest bearing and was repayable on demand.

These related party transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. It is management's estimation that these transactions were undertaken under the same terms and conditions as transactions with non-related parties.

Remuneration of key management personnel

	2013 $	2012 $
Salaries	2,039,303	869,044
Share option expenses	2,863,962	5,797,242
	4,903,265	6,666,286

CAPITAL COMMITMENTS

a. Pursuant to the Altius Agreement, the Company agreed to issue (i) an aggregate of 5,000,000 common shares at nil price (with 2,000,000 common shares issued on November 18, 2011 and 3,000,000 common shares issuable on or before November 18, 2013), and (ii) up to a maximum of 35,000,000 common shares upon satisfaction of certain milestones related to the definition of National Instrument 43-101 compliant iron ore resources above specific thresholds to acquire a 100% interest in four of Altius' regional iron ore projects in the Labrador Trough: Astray, Grenville, Menihek and Schefferville. In addition, the Company agreed to incur minimum exploration expenditures of $7 million per project cumulatively over a 5-year period.

   In connection with the transfer of Astray-X project to Northern Star, on November 30, 2012, Altius agreed to amend the provisions of the Altius Agreement to provide for an option to replace the remaining 750,000 common shares of the Company issuable to Altius for the acquisition of the Astray project, and up to a maximum of 8 million "bonus" shares for the project, with common shares issuable by Northern Star as adjusted by certain equivalence formulae stipulated in an assignment agreement. Pursuant to the X-Star Agreement, the Company has transferred the associated obligations of the Astray-X project to Northern Star.

b. The Company initiated an automatic purchase plan under a normal course issuer bid (the "NCIB") beginning on September 12, 2012. The number of common shares authorized for purchase during the period of the bid from August 22, 2012 to August 21, 2013 would exceed 500,000 common shares or approximately 0.5% of the issued and outstanding common shares. Daily purchases were limited to 4,503 common shares, save and except that the Company was permitted to make block purchases. All purchases made pursuant to the bid were made through the facilities of the TSX or other Canadian market places. Common shares so purchased were cancelled.

Subsequent to the balance sheet date, the Company has amended the NCIB (the "Amended NCIB") to increase the maximum number of shares purchasable thereunder to 2,500,000 common shares, as well as to increase the maximum number of shares that may be bought under the Amended NCIB on any given day (other than under a block purchase) to 16,167.

OFF-TAKE ARRANGEMENTS

WISCO Off-take Arrangement

On February 18, 2011, Century Holdings entered into a joint venture framework agreement with WISCO (the "WISCO JV Framework Agreement"). WISCO will be entitled to a right of first refusal of purchase up to 40% of the production attributable to the joint venture company to be set up by the Company and WISCO at cost and will have a right of first refusal to purchase an additional 20% at market according to one of the terms of the WISCO JV Framework Agreement.

Minmetals Off-take Arrangement

Pursuant to the terms of a subscription agreement with Minmetals Exploration & Development (Luxembourg) Limited S.à.r.l. ("Minmetals") dated May 10, 2011, Century Holdings and the Company have agreed, at least 180 days prior to the anticipated date of commencement of commercial production, to negotiate in good faith and use commercially reasonable efforts to enter into a definitive off-take agreement in favour of Minmetals in respect of iron ore produced from the Duncan Lake Project.

Under this off-take agreement, Minmetals will have a right to purchase 10% of Canadian Century's interest in all iron ore produced from the Duncan Lake Project (the "Product") from the first shipment of Product until the termination of production at a price equal to the price at which the Product is sold to WISCO pursuant to the terms of the WISCO JV Framework Agreement, which price will be based on market price, provided that if such price is not applicable, then the price of the Product will be agreed to by the parties and based on market price of iron ore of similar quantity and quality.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. Management has designed and implemented the internal control system to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The certifying officers have evaluated the effectiveness of the Company's internal control over financial reporting as of March 31, 2013 and have concluded that such controls are adequate and effective to ensure accurate and complete financial reporting in public filings. The consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the year ended March 31, 2013.

There has been no change in the Company's internal control over financial reporting during the year ended March 31, 2013 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

DISCLOSURE CONTROLS AND PROCEDURES

The Company has established and maintained disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issue's disclosure controls and procedures as of March 31, 2013 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in public filings.

There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions concerning the future that are believed to be reasonable under the circumstances. Future events and risk factors inherent in mining industry could result in changes in these estimates and assumptions. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations about future events. The following are the estimates and judgments applied by management that most significantly affect the Company's financial statements.

i) Valuation of exploration and evaluation assets

The Company carries its exploration and evaluation assets at cost less provision for impairment. The Company reviews the carrying value of its exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may not be recoverable. In undertaking this review, management is required to make significant estimates of, amongst other things, future production and sale values, unit sales prices, future operating and capital costs and reclamation costs to the end of the mine's life. These estimates are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying value of the exploration and evaluation assets.

ii) Valuation of accounts receivable

The fair value of accounts receivable is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date. A degree of judgment is required in establishing the fair value. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of accounts receivable.

iii) Share option expenses

The Company grants share options to directors, officers, employees and consultants of the Company under its incentive stock option plan. The fair value of share options is estimated using the Black-Scholes option pricing model and are expensed over their vesting periods. In estimating fair value, management is required to make certain assumptions and estimates such as the life of options, volatility and forfeiture rates. Changes in assumptions used to estimate fair value could result in materially different results.

iv) Classification of joint arrangements

The Group now owns 60% interest in Labec Century. Pursuant to the agreement between the shareholders of Labec Century, the approval of significant financial and operating policies of Labec Century requires consent from both shareholders. Consequently, the Group does not have control over Labec Century. As the Group has the right to the net assets of Labec Century, Labec Century is classified as a joint venture under IFRS 11 *Joint Arrangements*, and is accounted for using the equity method.

v) Estimation of the initial fair value of Labec Century

The Group's investment in Labec Century was initially recognized at fair value at the date of acquisition. The fair value of the investment is estimated with reference to the present value of the consideration paid or payable by WISCO Attikamagen amounting to $39,698,732. In establishing the fair value, management has estimated the discount rate and made the assumption that the consideration payable by WISCO Attikamagen represents the underlying fair value of Labec Century sold. Consequently, the estimation is subject to judgment and uncertainty.

CHANGES IN ACCOUNTING POLICIES

On September 26, 2012, the Group completed the closing procedures of a joint venture arrangement on the Attikamagen Property with WISCO, pursuant to which Labec Century issued shares to Century Holdings and WISCO Attikamagen. After the share issuance, Labec Century ceased to be a subsidiary and became a joint venture of the Group that is accounted for in accordance with IFRS 11 *Joint Arrangements*.

The Group has applied the new policy for interests in joint ventures in accordance with the transition provisions of IFRS 11. The Group recognized its investment in the joint ventures at fair value at the date of acquisition. This is the initial cost of the Group's investments in the joint ventures for applying equity accounting. The Group has adopted a policy of recognizing 100% of any gains that arise on the formation of a joint venture, as a result, a gain of $47,722,258 was recognized on the disposal of the subsidiary. Further details of the transaction are provided in the consolidated financial statements of the Company for the year ended March 31, 2013.

The change in accounting policies has been applied as from April 1, 2011. It has no impact on the financial position, comprehensive income or loss and the cash flows of the Group at March 31, 2013, 2012 and 2011. The change in accounting policy has had no impact on earnings or loss per share.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial liabilities consist of accounts payable and accrued liabilities. It is management's opinion that Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these instruments approximates their carrying value due to the short-term nature of their maturity.

RISKS AND UNCERTAINTIES

In addition to considering the discussion provided in this report as to certain risks that are faced by, or that could be faced by, the Company in pursuing its plans for its properties, and more generally in implementing those plans, readers and investors are encouraged to consider the risk factors set out in the Company's Annual Information Form for the fiscal year ended March 31, 2013.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements that reflect management's current expectations, estimates and projections with regard to future events regarding the Company's business and the economic environment in which it operates. Generally, forward-looking statements are identified by the use of forward-looking language such as "plans", "targets", "expects", "estimates", "intends", "anticipates", "believes", or the negative connotation thereof, or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", or "will", "occur" or the negative connotation thereof. Forward-looking statements included in this MD&A include statements made with respect to future exploration expenditure or other plans, conducting and completing preliminary economic assessments or feasibility studies with respect to certain of its properties, the publication of further resource estimates and the progress of joint venture arrangements with WISCO, including, but not limited to, those Company objectives as described above under "Outlook". Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements. Such risks include, but are not limited to: (i) risks inherent in the exploration for and development of mineral deposits; (ii) financing, capitalization and liquidity risks, including the risk that financing necessary to fund the exploration and development activities at the Company's properties may not be available on satisfactory terms, or at all; (iii) regulatory risks, including risks relating to the acquisition of necessary licenses and permits; (iv) uncertainties inherent in the estimation of mineral reserves and resources; (v) risks that production estimates may be inaccurate; (vi) construction and operational risks inherent in the conduct of mining activities, including the risk of increases in capital and operating costs and the risk of delays or increased costs that could be encountered during the construction and development process; (vii) risks relating to changes in iron ore prices and the worldwide demand for and supply of iron ore; (viii) risks relating to the remoteness of the Company's properties including access and supply risks and reliance on key personnel; (ix) environmental risks, including risks relating to climate change and the potential impact of global warming on project timelines and on construction and operating costs; (x) the risk of fluctuations in the Canadian/U.S. dollar exchange rate; (xi) insurance risks; and (xii) volatility in the Company's stock price. See "*Risks and Uncertainties*".

These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

Such forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The assumptions underlying the forward looking information in this MD&A, which may prove to be incorrect, include, but are not limited to, assumptions relating to:

- the Company's business and exploration and development plans;
- the costs of implementation of the Company's exploration and development plans;
- the availability of sufficient capital to enable the Company to carry out its exploration and development plans;
- the completion of the financings and transactions contemplated by the Company's joint venture agreements with WISCO;
- the state of the economy and the mineral exploration industry in general and global demand for iron ore;
- the provision of goods and services by contracted parties on agreed timeframes, plant and equipment work being advanced or otherwise functioning as anticipated;
- the accuracy of the estimates of mineral resource included in the NI 43-101 compliant technical reports on the Company's material properties;
- the accuracy of the projections derived from the preliminary economic analysis of the Company's Duncan Lake and Joyce Lake properties included in the NI 43-101 compliant technical reports on those properties;
- the results of future exploration and development programs will be consistent with results and estimates included in the Company's NI 43-101 technical reports on the Company's material properties;

- that aboriginal rights will be settled in a manner that will enable the Company to proceed with its planned exploration and development programs;
- the Company will be able to obtain the required regulatory approvals necessary to enable it to proceed with its exploration and development programs;
- the Company will not encounter any unanticipated geological or technical problems in carrying out is exploration and development programs;
- the price of iron ore remaining will remain consistent with the Company's expectations; and
- there being no material adverse events or changes outside of the normal course of business for the Company.

No assurance can be given that these assumptions will prove to be correct. These assumptions should be considered carefully by readers. Readers are cautioned not to place undue reliance on the forward-looking information and statements or the assumptions on which the Company's forward-looking information and statements are based.

Investors are advised to carefully review and consider the discussion in this MD&A regarding risks that are faced by, or could be faced by, the Company in purusing its plans for its properties, as well as the risk factors provided in the Company's Annual Information Form for the year ended March 31, 2013. The forward-looking statements contained in this MD&A are made as of the date hereof and, accordingly are subject to change after such date.

The Company does not undertake to update any forward-looking statements except in accordance with applicable securities laws. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

CAUTIONARY STATEMENT REGARDING TECHNICAL INFORMATION

This MD&A contains disclosure of scientific or technical information for the Company's mineral projects that is based on technical reports, as disclosed above, for each of the Company's material properties. It also contains disclosure derived from public announcements of exploration results issued by the Company. Each of these reports and public announcements was prepared in accordance with National Instrument 43-101 – Standards for Disclosure for Mineral Projects of the Canadian Securities Administrators, by or under the supervision of "qualified persons" (as defined in that National Instrument).

Any mineral resource figures referred to in this MD&A are estimates, and no assurances can be given that the indicated levels of iron will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the resource estimates included in this MD&A are well established, resource estimates are by their nature imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

This MD&A uses the terms "measured", "indicated" and "inferred" mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Furthermore, "inferred mineral resources" have a great amount of uncertainty as to their existence, are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied, and are subject to great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable. Readers are also cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into reserves.

Pursuant to NI 43-101, Wenlong Gan, P.Geo., an employee of the Company and a Qualified Person as defined in NI 43-101, has reviewed and approved all of the technical disclosure contained in this MD&A.