CENTURY IRON MINES CORPORATION

(An exploration and development company)

Management's Discussion and Analysis

of Financial Conditions and Results of Operations

for the Year Ended March 31, 2014

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 25, 2014. 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, 2014. 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, 2014.

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, 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Notes 2 to 3 of the Company's consolidated financial statements for the year ended March 31, 2014 set out 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 which 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 certain mineral properties through the following direct and indirect wholly-owned subsidiaries, in which the Company conducts mineral exploration and development activities:

- 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 B.C. Ltd. ("B.C. Ltd."), the owner of the Company's interest in the Sunny Lake Joint Venture (as defined hereinafter) and a 60% interest in WISCO Century Sunny Lake Iron Mines Limited, the operator of the Sunny Lake Joint Venture (as defined hereinafter), 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 Resources Development and Investment Limited ("WISCO Attikamagen"). As at March 31, 2014, Labec Century owned a 100% registered interest in the Attikamagen property ("Attikamagen Property").

Each of Century Holdings, Grand Century, Canadian Century, Labec Century and B.C. Ltd. 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 has direct or indirect interest in properties on which it conducts exploration activities. Four of these properties are currently material to the Company: the Joyce Lake and Hayot Lake Properties which form part of the Attikamagen Property, and the Full Moon/Rainy Lake Property which forms part of the Sunny Lake Property, all of which are located in the area of north-eastern Québec and Western Labrador known as the "Labrador Trough"; and the Duncan Lake Property, which is located in North-western Québec in the area of James Bay.

During the fiscal year ended March 31, 2014, Century Iron filed preliminary economic assessment reports on the Company's Joyce Lake Property (dated May 8, 2013) and Duncan Lake Property (dated May 6, 2013). In addition, during the same period, a mineral resource estimate report was issued on Century Iron's Joyce Lake Property (dated April 18, 2013) and an updated mineral resource estimate report was subsequently completed on the same property (dated April 17, 2014). These reports and the exploration work and results underlying them have helped to solidify the Company's position as one of the largest iron resource companies in the world in terms of attributable contained iron tonnes in estimated resources.

Century Iron has other properties located in the Labrador Trough. These include the Lac Le Fer DSO Prospect, which is part of the Sunny Lake Property, as well as the Altius Properties.

Attikamagen Properties

The Company's Attikamagen Properties include two areas of exploration and development that are material to the Company: the Joyce Lake Property and the Hayot Lake 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), FOB
- 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 proposed mining activities would be year-round, but mineralized rock would 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 for shipment. 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 SEDAR 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 is 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 base case cutoff grade of 50% total iron (shown below with comparison at 55% Fe cut off).

Mineral Resource Statement of the Joyce Lake Property

Cut-Off 55% Fe	Tonnes	%Fe	%SiO_2	%Al_2O_3	%Mn
Measured (M)	4,050,000	62.31	7.42	0.58	0.93
Indicated (I)	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 (M)	5,050,000	60.44	10.21	0.58	0.88
Indicated (I)	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 envelope. 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%.

Joyce Lake Update Report

On April 17, 2014, an updated NI 43-101 compliant technical report on the mineral resource estimate of the Joyce Lake Property was filed on SEDAR. SGS Canada Inc prepared the updated resource estimate entitled "Mineral Resource Update, Joyce Lake DSO Iron Project, Newfoundland & Labrador" ("Joyce Lake Update Report"). The Joyce Lake Update Report indicated a 143% increase in the measured and indicated resource estimate. The Joyce Lake Property shows 24.3 million tonnes of measured and indicated mineral resources at an average grade of 58.55% iron ("Fe") plus an additional 0.84 million tonnes of inferred mineral resources at a cut-off grade of 50% Fe.

Comparison of Previous and Current NI 43-101 Resource Estimates[1]

Resource Classification	Previous Estimate March 2013[2] (Tonnes)	Current Estimate March 2014 (Tonnes)	% Change
Measured ("M")	5,050,000	18,650,000	+ 269
Indicated ("I")	4,950,000	5,640,000	+ 14
M+I	10,000,000	24,290,000	+ 143
Inferred	5,600,000	840,000	- 85

1. *at 50% Fe cut-off*
2. *NI 43-101 Technical Report, Joyce Lake DSO Iron Project, Newfoundland & Labrador, April 18, 2013, filed on SEDAR.*

Current NI 43-101 Mineral Resource Estimate[1]

Cut-off 55% Fe[2]	**Tonnes[3]**	**% Fe**	**% SiO_2**	**% Al_2O_3**	**% Mn**
Measured ("M")	12,880,000	61.45	9.02	0.54	0.86
Indicated ("I")	3,600,000	61.54	9.38	0.49	0.64
M+I	16,480,000	61.47	9.10	0.53	0.81
Inferred	800,000	62.47	7.73	0.43	0.80
Cut-off 50% Fe[2]	**Tonnes[3]**	**% Fe**	**% SiO_2**	**% Al_2O_3**	**% Mn**
Measured ("M")	18,650,000	58.67	13.02	0.55	0.81
Indic`ated ("I")	5,640,000	58.14	14.39	0.51	0.54
M+I	24,290,000	58.55	13.34	0.54	0.75
Inferred	840,000	62.00	8.43	0.43	0.78

1. *Mineral resources are not mineral reserves and do not have demonstrated economic viability.*
2. *Within Mineralized envelope, % Fe cut-off on individual blocks. The base case for public disclosure DSO is the statement with cut-off of 50% Fe.*
3. *Variable SG density (equation derived from core measurements), tonnes rounded to nearest 10,000.*

The information in this report is strictly an update of the mineral resource estimation. The information relating to the Joyce Lake Preliminary Economic Assessment (PEA) disclosed in the previous section has not been updated with the new mineral resource estimate. The Company is in the process of preparing a *feasibility study based on the update of mineral resource estimate and the result shall be disclosed accordingly in the next technical report.*

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 the foregoing 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 and Joyce Lake Update Report, please refer to the full report as filed on SEDAR at www.sedar.com.

Hayot Lake Property – Hayot Lake Report

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 benchmarked 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 risks 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 SEDAR at www.sedar.com.

Ownership of Attikamagen Properties

The Company's interests in the Attikamagen Properties (including the Joyce Lake Property and the Hayot Lake Property) are held through Labec Century, a joint venture company in which it shares ownership with WISCO Attikamagen, a subsidiary of WISCO International Resources Development & Investment Limited ("WISCO"). Labec Century has a registered 100% interest in the Attikamagen Properties. 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 became 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. On September 19, 2013, WISCO (or WISCO Attikamagen) further increased its ownership from 25% to 40% of the non-voting equity common shares of Labec Century for a payment of $20 million. After the completion of these transactions and as of the date of this MD&A, the Company and WISCO (or WISCO Attikamagen) share an ownership of 60% and 40% of Labec Century's voting non-equity and non-voting equity shares, respectively, in accordance with the Attikamagen Shareholders Agreement.

On September 30, 2013, the Company entered into an agreement to acquire from Champion Iron Mines Limited ("Champion") its remaining interest in the Attikamagen Properties. As consideration for the purchase, Century Iron issued 2 million common shares and 1 million warrants of the Company with variable exercise prices of $0.75 to $2.50 per share escalating over the 5-year life of the warrants. In addition, Champion will receive a 2% net smelter return royalty on iron and minerals produced from the properties. On November 29, 2013, the closing procedures of the transaction completed and as a result, Labec Century owns a 100% interest in the Attikamagen Properties. On January 31, 2014, the title transfer registrations of the acquisition of Champion's remaining interests were completed, and the Company received $1.02 million from Labec Century in exchange for the shares and warrants issued to Champion.

Sunny Lake Properties

The Company's Sunny Lake Properties include the Full Moon/Rainy Lake area, an area of exploration and development that is material to the Company, and the Lac Le Fer area which bears DSO mineralization.

Full Moon / Rainy Lake Report

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/ Rainy Lake Report, please refer to the full report as filed at www.sedar.com.

Ownership of Sunny Lake Properties

On December 19, 2011, the Company entered into a definitive joint venture agreement (the "Sunny Lake JV Agreement") with B.C. Ltd., 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 B.C. Ltd. and WISCO Sunny Lake for the exploration and development of the Sunny Lake Properties. Under the terms of the Sunny Lake JV Agreement, the Company agreed to contribute its interest in the Sunny Lake Properties 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" or "WISCO Century Sunny Lake") in advance of the formation of the Sunny Lake Joint Venture. The Sunny Lake Operator is 60% owned by B.C. Ltd. and 40% owned by WISCO Sunny Lake.

The mineral claims comprising the Sunny Lake Properties 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 Properties in trust for B.C. Ltd. and WISCO Sunny Lake in accordance with their respective interests in the Sunny Lake Joint Venture.

At March 31, 2014, Century owns 82.9% of the Sunny Lake properties.

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 SEDAR at www.sedar.com.

Duncan Lake Report

Summary of the Mineral Resource (Cut-Off of 16% Head Fe), Met-Chem Canada Inc., Effective date August 24, 2012, issue date October 11, 2012

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 risks 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 SEDAR 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 had spent a further $14 million on the project. Pursuant to the Duncan Lake Joint Venture Agreement, Canadian Century has now earned a cumulative 65% interest in the Duncan Lake Property. Augyva holds a 35% 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 announced on November 29, 2011 the completion of negotiations with WISCO in respect of the Duncan Lake Shareholders Agreement to be entered into between the Company and

WISCO to govern WISCO's investment in the Duncan Lake Property. The Company subsequently engaged in discussions with WISCO regarding revisions to the originally negotiated Duncan Lake Shareholders Agreement. The discussions with WISCO regarding these revisions have currently been deferred as a result of the current market conditions and a determination by the Company and WISCO to prioritise the development of the Attikamagen Properties and the Sunny Lake Properties over other properties. The Company plans to continually evaluate the timing for the commencement of the joint venture for the Duncan Lake Property with WISCO as market conditions evolve. The Company currently considers that the re-introduction of Plan Nord by the current Quebec provincial government will be a key factor to be considered in these determinations.

Based on the current state of discussion with WISCO, the Company presently anticipates that the ultimate Duncan Lake Shareholders Agreement will include certain terms that are different from the proposed material terms originally disclosed in the Company's Annual Information Form for the year ended March 31, 2012 available on SEDAR ("2012 AIF") and as more fully described in the Company's Annual Information Form for the year ended March 31, 2014 available on SEDAR ("2014 AIF"). Currently, the Duncan Lake Property is not held under a joint venture with WISCO.

Altius Properties

The Altius Properties were acquired in 2011 from Altius Minerals Corporation ("Altius"), who retains a 1% to 4% sliding scale gross sales royalty on the properties. On November 18, 2011 and November 18, 2013, the Company issued 2,000,000 and 3,000,000 common shares, respectively, to Altius pursuant to the acquisition agreement.

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. ("Northern Star"), and has 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 year ended March 31, 2014 and 2013.

	Duncan Lake property $	Attikamagen properties $	Sunny Lake properties $	Altius properties $	Other properties $	Total $
Balance - 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 the Astray 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
Additions, net of investment tax credits	1,484,593	-	(4,301,042)	3,084,156	(31,488)	236,219
Reimbursement of Net Initial Exploration Expenditures	-	-	(8,612,875)	-	-	(8,612,875)
Other	-	-	-	-	(278,937)	(278,937)
Balance - March 31, 2014	17,214,037	-	3,069,502	10,367,650	322,304	30,973,493

Analyses of the expenditures in the properties of the Company during the year ended March 31, 2014 and 2013 are as follows:

Duncan Lake Property

	2014 ($)	2013 ($)
Balance – April 1	15,729,444	16,989,318
Drilling	-	35,250
Geology	245,089	2,498,370
Camp operations	13,182	467,203
Salaries	296,443	184,687
Investment tax credits	929,879	(4,445,384)
Balance – March 31	17,214,037	15,729,444

Sunny Lake Properties	**2014 ($)**	**2013 ($)**
Balance – April 1	15,983,419	7,575,756
Drilling	-	7,083,865
Geology	-	2,319,786
Metallurgy testing	-	250,616
Camp operations	20,947	1,255,564
Salaries	102,174	728,345
Investment tax credits	(4,424,163)	(3,230,513)
Reimbursement of exploration expenditures	(8,612,875)	-
Balance – March 31	3,069,502	15,983,419

Altius Properties	**2014 ($)**	**2013 ($)**
Balance – April 1	7,283,494	5,336,228
Drilling	146,602	321,908
Geology	161,223	944,519
Camp operations	302,870	311,385
Salaries	973,461	369,454,
Common shares issued for acquisition	1,500,000	-
Balance – March 31	10,367,650	7,283,494

ACHIEVEMENTS AND OUTLOOK

The Company plans to advance its Direct Shipping Ore ("DSO") projects toward production, as its priority and direction of development, commencing with the Joyce Lake DSO Project, to create shareholder value. Accordingly, it will focus its activities in fiscal year of 2014/15 as follows:

Joyce Lake Property in the Attikamagen Properties

- During the fiscal year ended March 31, 2014, the Company filed on SEDAR the Joyce Lake Report on April 18, 2013 and the Joyce Lake PEA on May 8, 2013.
- The Company subsequently conducted Phase I of its 2013 drilling program between March 7 and July 15, 2013 and Phase II between September 15 and November 16, 2013. In these two phases, the Company completed a total of 6,320 meters of drilling with positive results which expanded and upgraded the Mineral Resource Estimate in the Joyce Lake Report. An updated Mineral Resource Estimate was prepared by SGS Canada Inc. in the Joyce Lake Update Report filed on SEDAR on April 17, 2014, reporting an increase of 143% Measured and Indicated Mineral Resource Estimate.
- The Company plans to advance the Project to a bankable feasibility study (the "BFS") and conduct related geotechnical and hydrogeological drilling and engineering work in summer 2014. The BFS is targeted to be completed by the end of the fiscal year of 2014-15.
- The Company plans to continue the work programs leading to the completion of the Environmental Impact Statement (the "EIS") of the Project and plans to submit the same to government by the end of 2014.
- The Company anticipates that the BFS, EIS and other project programs will be funded by Labec Century's existing financial resources including the additional capital contribution of $20 million received from WISCO on September 19, 2013 in accordance with the Attikamagen Shareholders Agreement.
- The acquisition of the remaining interest in the project from Champion was completed on November 29, 2013. Labec Century now owns a 100% interest in the Joyce Lake DSO Project consolidating ownership and simplifying the forthcoming potential project development.

Sunny Lake Properties

- DSO targets: The Company plans to commence an exploration drilling program at Lac Le Fer and Hayot Lake North in the 2014 field season after completing the ground gravity survey and related geophysical interpretation work in 2013. The Company plans to develop the DSO targets in these properties with the strategy of advancing the DSO projects as a priority.

- Full Moon Property (taconite): The Company is targeting the completion of a preliminary economic assessment of the Full Moon iron deposit in 2014.
- These activities are to be funded by WISCO as part of the requirements in order to earn a 40% voting and participating interest in the Sunny Lake Properties under the terms of the Sunny Lake JV Agreement.

Altius Properties

- DSO targets: During the 2013 spring season, the Company continued the next phase of active exploration programs of the Properties by conducting orientation drilling. The initial assay results on Red Dragon, one of the target areas in the Schefferville West project, indicate encouraging high grade DSO type mineralization. The Altius Properties are in close proximity to the town of Schefferville and are accessible by road. A follow up retrenching was completed in the summer of 2013.
- A small exploratory drilling program in winter 2013 focused on some of the key geophysical anomalies to explore the Properties' DSO potential. Further exploration work is anticipated in 2014.
- 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, 2014 ($)	March 31, 2013 ($)	March 31, 2012 ($)
Profit / (loss) for the year	(6,200,729)	35,150,226	(15,655,283)
Basic and diluted earnings / (loss) per share	(0.06)	0.37	(0.18)
Total assets	148,150,581	151,376,737	123,154,655
Total non-current liabilities	-	46,613	37,722
Shareholder's equity	144,449,703	147,858,630	109,369,932

Summary of Quarterly Results

Quarters ended	March 31, 2014 ($)	December 31, 2013 ($)	September 30, 2013 ($)	June 30, 2013 ($)
Profit / (loss) for the period	(1,277,326)	148,276	(3,003,137)	(2,068,542)
Basic and diluted earnings / (loss) per share	(0.013)	0.002	(0.032)	(0.022)
Total assets	148,150,581	148,220,631	145,110,451	147,915,000
Shareholder's equity	144,449,703	145,842,113	143,290,712	146,101,982

Quarters ended	March 31, 2013 ($)	December 31, 2012 ($)	September 30, 2012 ($)	June 30, 2012 ($)
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

RESULTS OF OPERATIONS

This section should be read in conjunction with the consolidated statements of comprehensive income or loss for the year ended March 31, 2014 and the accompanying notes to the financial statements. All references to 2014 and 2013 refer to those years ended March 31, unless otherwise stated.

Analysis of Results of Operations for the year ended March 31, 2014 compared with the year ended March 31, 2013

For the year ended March 31, 2014 ("2014"), the Company reported a loss of $6,200,729 compared to a profit of $35,150,226 for the year ended March 31, 2013 ("2013").

In 2014, the Company and WISCO reached a preliminary agreement on the cost allocation for the ongoing exploration and evaluation expenditures of the Attikamagen and Sunny Lake projects incurred and paid by the Company on behalf of the joint ventures after the establishment of the joint ventures in September 2012 and November 2012 respectively. As such, the Company recognized a one-time management fee income of $2,491,034 in relation to its management services provided to the joint ventures. Excluding this non-recurring income, the Company had a loss of $8,691,763 in 2014.

In 2013, the Company recorded a one-time gain of $47,722,258 from the deemed disposal of Labec Century, as explained in the Management's Discussion and Analysis for the three and six months ended September 30, 2012. Excluding this non-recurring gain, the Company had a loss of $12,572,032 in 2013.

Net loss excluding non-recurring adjustments described above is $3,880,269 lower in the fiscal year ended March 31, 2014 compared to 2013. The principal factors for this decrease are as follows:

- Administrative expenses decreased by $1,170,138, from $8,781,177 in 2013 to $7,611,039 in 2014. The decrease was mainly attributable to the following major changes: a decrease in consulting and professional fees, a decrease in corporate promotion expenses, a decrease in travelling expenses, partially offset by an increase in salaries and directors' fees (as explained below).

Consulting and professional fees decreased by $1,034,896, from $2,601,682 in 2013 to $1,566,786 in 2014 due to additional legal costs related to the formation of the WISCO joint ventures and technical consultancy services incurred in 2013. Corporate promotion expense decreased by $199,244 from $600,043 in 2013 to $400,799 in 2014 as the Company has paid more sponsorship on local community events to promote its corporate image in 2013. Travelling expenses decreased by $384,370, from $739,799 in 2013 to $355,429 in 2014 as the Company incurred more site visits and meetings with its strategic shareholders in 2013 for the execution and closing of the joint venture agreements.

Director's remuneration and salaries expense increased by $594,831 from $3,161,690 in 2013 to $3,756,521 in 2014 due to a general rise in salary level, a higher bonus payment, and a one-time charge of $330,000 incurred in 2014.

Rental expense increased by $68,433, from $623,160 in 2013 to $691,593 in 2014, primarily due to higher rental charges at the new head office location.

Other administrative items of $839,911 in 2014 ($1,054,803 in 2013) is mainly comprised of office and general, telecommunication, insurance and depreciation expenses.

- Share-based compensation expense decreased by $3,153,691, from $4,100,971 in 2013 to $947,280 in 2014. The expense is mainly comprised of stock option expense recognized over the vesting periods from the initial grant date, which was lower in 2014 primarily due to the full vesting of certain stock options initially granted in prior periods and no additional stock options being granted in 2014.

- Excluding non-recurring adjustments as discussed above, other income decreased from $567,790 in 2013 to $353,028 in 2014. This decrease was primarily driven by a decrease in interest income earned on lower average cash balances in 2014 compared to 2013.

Analysis of Results of Operations for the fourth quarter ended March 31, 2014 compared with the fourth quarter ended March 31, 2013

For the quarter ended March 31, 2014 ("2014 Q4"), the Company reported a loss of $1,277,326 compared to a loss of $9,042,478 for the quarter ended March 31, 2013 ("2013 Q4").

In the fall of 2013, the Company and WISCO reached a preliminary agreement on the cost allocation for the ongoing exploration and evaluation expenditures of the Attikamagen and Sunny Lake projects incurred and paid by the Company on behalf of the joint ventures after the establishment of the joint ventures in September 2012 and November 2012 respectively. As such, the Company recognized a one-time management fee income of $2,025,132 in relation to its management services provided to the joint ventures. This one-time management fee income was revised to $2,491,034 in 2014 Q4, following an update of the cost allocation proposal that resulted in an increase in income of $465,902. Excluding this non-recurring adjustment, the Company had a loss of $1,743,228 in 2014 Q4.

In 2013 Q4, the Company adjusted its gain from the deemed disposal of Labec Century 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 Company from Labec Century in June 2013. Excluding this non-recurring adjustment, the Company had a loss of $3,293,990 in 2013 Q4.

Excluding the non-recurring adjustments discussed above, the Company had a loss of $1,743,228 in 2014 Q4 compared to $3,293,990 in 2013 Q4, a decrease of $1,550,762. The principal factors for this decrease are as follows:

- Administrative expenses decreased by $1,137,360, from $2,437,022 in 2013 Q4 to $1,299,662 in 2014 Q4.

  Consulting and professional fees decreased by $672,222, from $819,573 in 2013 Q4 to $147,351 in 2014 Q4 primarily due to additional legal costs incurred in 2013 Q4 related to the formation of the WISCO joint ventures. Depreciation and travelling expenses decreased by $731,369 from 2013 Q4 to 2014 Q4 as more expenses were capitalized to the Company's projects. This decrease was partially offset by an increase in salaries and directors' fees in the same periods primarily due to a one-time charge of $330,000 incurred in 2014 Q4. The change for the remaining administrative expense items was not significant in the quarter.

- Share-based compensation expense decreased by $642,746, from $748,794 in 2013 Q4 to $106,048 in 2014 Q4. The expense is mainly comprised of stock option expense recognized over the vesting periods from the initial grant date, which was lower in 2014 Q4 primarily due to the full vesting of certain stock options initially granted in prior periods and no stock options being granted in 2014.

- Share of loss of a joint venture increased by $143,984, from $1,298 in 2013 Q4 to $145,282 in 2014 Q4. The amounts represent the Company's 60% interest in the loss at Labec Century that are attributable to the Company under the equity method of accounting. Share of loss was lower in 2013 Q4 primarily due to the joint venture arrangement being newly formed in September 2012.

- Share of loss of an associate increased by $180,213 from $160,977 in 2013 Q4 to $341,190 in 2014 Q4. The amounts represent the Company's 20% interest in the loss at Northern Star that is attributable to the Company under the equity method of accounting.

- Excluding the non-recurring adjustments described above, other income increased from $74,477 in 2013 Q4 to $108,083 in 2014 Q4. This increase was primarily driven by an increase in interest income earned on higher average cash balances in 2014 Q4 compared to 2013 Q4.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the consolidated statement of financial position as at March 31, 2014, and the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2014.

Consolidated Assets

Consolidated assets decreased by $3,226,156, from $151,376,737 as at March 31, 2013 to $148,150,581 as at March 31, 2014. The major reasons for the decrease were as follows:

- The decrease in accounts receivable by $4,246,887, from $13,859,635 as at March 31, 2013 to $9,612,748 as at March 31, 2014. The decrease was mainly due to the repayment of

$11,429,435 from the Company's joint venture Labec Century in relation to Labec Century's exploration expenditures previously funded by the Company and reimbursed pursuant to the Attikamagen Shareholders Agreement, offset by an increase in receivables from the joint ventures on exploration and evaluation expenditures incurred and paid by the Company on behalf of the joint ventures since the establishment of the joints ventures.

- The decrease in sales taxes recoverable by $4,692,368, from $5,185,956 as at March 31, 2013 to $493,588 as at March 31, 2014. The balance decreased as the Company received refunds of approximately $5.0 million during the period and a lower level of exploration and evaluation expenditures incurred in 2014 compared to 2013.
- The increase in investment tax credits receivable by $1,805,124, from $8,049,757, as at March 31, 2013 to $9,854,881 as at March 31, 2014. The increase was mainly due to the recognition of the Company's net investment tax credits claims of $4,825,441 from the Quebec government for exploration expenditures, which was partially offset by $3,020,317 in refunds received in the year ended March 31, 2014.
- The decrease in exploration and evaluation assets by $8,655,593 from $39,629,086 as at March 31, 2013 to $30,973,493 as at March 31, 2014. This decrease was primarily due to reimbursement of $8,612,875 of exploration expenditures of the Sunny Lake property received from WISCO Sunny Lake pursuant to the Sunny Lake JV Agreement and the Sunny Lake closing agreement and $4,825,441 in net investment tax credits claims in 2014, partially offset by the addition of exploration expenditures by the Company.
- The increase in cash and cash equivalents and short term bank deposit by $12,353,828, from $19,359,987 as at March 31, 2013 to $31,713,815 as at March 31, 2014. The increase was primarily due to the collection of accounts receivable, receipt of refunds on sales taxes recoverable and the reimbursed exploration expenditures explained above, less consumption of cash for the investment of exploration and use in operations.

Consolidated Liabilities

Consolidated liabilities increased by $182,771, from $3,518,107 as at March 31, 2013 to $3,700,878 as at March 31, 2014. The increase in liabilities was mainly due to the timing of payments of the Company's accounts payable to vendors.

Shareholder's Equity

Shareholder's equity decreased by $3,408,927, from $147,858,630 as at March 31, 2013 to $144,449,703 as at March 31, 2014. The decrease was mainly due to the loss recorded by the Company for the year ended March 2014, offset by an increase in share capital from the shares issued in connection with the Company's acquisition of the Altius properties and Labec Century's acquisition for its remaining interest in the Attikamagen property.

The following table summarizes changes in share capital during the year ended March 31, 2014:

	Number of common shares	Value $
Balance - April 1, 2013	94,474,158	115,023,227
Repurchase of common shares (a)	(670,087)	(317,276)
Common shares issued for the acquisition of Altius properties (b)	3,000,000	1,500,000
Common shares issued for the Attikamagen acquisition transaction (c)	2,000,000	1,020,000
Balance - March 31, 2014	98,804,071	117,225,951

(a) The Company initiated an automatic purchase plan under a normal course issuer bid ("NCIB") beginning on September 12, 2012. The NCIB was amended in May 2013 such that 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 2,500,000 common shares. Daily purchases were limited to 16,167 common shares, save and except that the Company was permitted to make block purchases. The NCIB expired in August 2013.

The NCIB was renewed in September 2013. The renewed NCIB is effective between September 17, 2013 and September 16, 2014. It allows for the purchase of up to 1,823,000 of the Company's outstanding common shares, and the purchase of up to 14,094 common shares on any given day other than under a block purchase or otherwise in a permitted transaction that is exempted from this daily limit under TSX policies.

As of March 31, 2014, the Company had repurchased for cancellation 1,060,000 common shares since inception of the plan with an aggregate cost of $604,819.

(b) On November 18, 2013, the Company issued 3,000,000 common shares to Altius for the acquisition of certain properties pursuant to the Altius Agreement. The common shares are subject to a 12-month lock-up period. The value of the shares amounted to $1,500,000 or $0.50 per share.

(c) On November 29, 2013, the Company issued to Champion 2,000,000 common shares pursuant to Labec Century's acquisition of Champion's remaining interest in the Attikamagen property. The value of the shares amounted to $1,020,000 or $0.51 per share.

DISCLOUSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had 98,799,071 common shares issued and outstanding, and 8,580,000 stock options and 1,624,000 share awards outstanding under the Company's equity incentive plan.

SIGNIFICANT EQUITY INVESTEE

As of March 31, 2014, the Company owns a 60% interest in the Labec Century Joint Venture. The Company has joint control of this entity from an accounting perspective and is therefore equity accounted. The summarized financial information of Labec Century is disclosed in the consolidated financial statements of the Company for the year ended March 31, 2014.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2014, the Company had cash and cash equivalents and short term bank deposit of $31,713,815 to settle current liabilities of $3,700,878. The net working capital of the Company was $48,629,369 as at March 31, 2014. The Company's cash and cash equivalents and short term bank deposit are deposited with major banks.

The current cash and working capital position of the Company is expected to be sufficient to cover our corporate administrative expenditures and exploration expenditure requirements related to the Altius Properties over the next 12 months.

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

The Company's future minimum operating commitments as at March 31, 2014 are as follows:

	Payments due by period				
	Less than 1 year	**1-3 years**	**4-5 years**	**After 5 years**	**Total**
	($)	**($)**	**($)**	**($)**	**($)**
Lease commitments	731,982	945,683	73,353	18,898	1,769,916
Exploration expenditures	1,580,000	15,444,000	-	-	17,024,000
Total	2,311,982	16,389,683	73,353	18,898	18,793,916

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

The exploration expenditures are the minimum exploration expenditures to be incurred on the Astray, Grenville, Menihek and Schefferville Properties, 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:

(i) As of March 31, 2014, the Company had accounts receivable of $5,839,066 (2013: $13,697,158) from Labec Century. The balance mainly comprised of exploration expenditures of the Attikamagen property incurred and paid by the Company on behalf of

Labec Century after Labec Century became the Company's joint venture and the fixed assets to be sold by the Company to Labec Century.

In June 2013, the Company received the repayment of $11,429,435 from Labec Century in relation to Labec Century's audited exploration expenditures previously funded by the Company and reimbursed pursuant to the Attikamagen Shareholders Agreement.

In January 2014, the Company received $1,020,000 from Labec Century as reimbursement for the acquisition of Champion's remaining interest in the Attikamagen property.

(ii) As of March 31, 2014, the Company had accounts receivable of $3,363,181 (2013: Nil) from WISCO Century Sunny Lake. The balance represents exploration expenditure of the Sunny Lake property incurred and paid by the Company on behalf of WISCO Century Sunny Lake.

(iii) As of March 31, 2014, the Company had accounts receivable of $16,950 (2013: $16,950) from Augyva. The President and CEO, Mr. Sandy Chim, and the Executive Vice- President, Mr. Peter R. Jones, are directors of Augyva.

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

	2014 $	**2013 $**
Salaries	2,942,838	2,039,303
Share-based compensation expenses	621,100	2,863,962
	3,563,938	4,903,265

CAPITAL COMMITMENTS

On September 2011, pursuant to the acquisition of Altius properties, the Company agreed to issue up to a maximum of 35,000,000 common shares ("Bonus shares") to Altius upon satisfaction of certain milestones related to the definition of National Instrument 43-101 compliant iron ore resources above specific thresholds as part of its consideration to acquire a 100% interest in four of Altius' regional iron ore projects in the Labrador Trough: Astray, Grenville, Menihek and Schefferville.

In connection with the transfer of the Astray-X project to Northern Star as on November 30, 2012, Altius agreed to amend the provisions of the Altius Agreement to provide for an option to replace the 8 million Bonus Shares issuable upon satisfaction of certain milestones related to the Astray-X project, with common shares issuable by Northern Star as adjusted by certain equivalence formulae stipulated in an assignment agreement.

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 is entitled to a right of first refusal to 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 has a right of first refusal to purchase an additional 20% at market according to 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 the 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 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, 2014.

There has been no change in the Company's internal control over financial reporting during the year ended March 31, 2014 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. Management has designed and implemented the disclosure controls and procedures to provide reasonable assurance that material information relating to the Company and its subsidiaries is made known to the CEO and the CFO.

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 the 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 judgements 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 Company 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 Company is deemed to have joint control over Labec Century. Per application of IFRS 11 *Joint Arrangements*, the Company has the right to the net assets of Labec Century and as such, Labec Century is accounted for as a joint venture in accordance with IFRS 11.

(v) Estimation of the initial fair value of Labec Century

The Company'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. 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.

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, 2014.

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.

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 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 pursuing 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, 2014. 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 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.