Management Discussion and Analysis
Year end and Fourth Quarter, 2011

This Management's Discussion and Analysis ("MD&A") of Omineca Mining and Metals Ltd. ("Omineca" or the Company") is dated April 30, 2012 and provides a discussion of the Company's financial and operating results for the quarter and period ended December 31, 2011 with comparisons to previous quarters. This MD&A should be read in conjunction with the quarterly financial statements and accompanying notes and the most recently published annual audited financial statements and notes. This is the first year of operation for the Company.

Omineca Mining and Metals Ltd. was incorporated on March 15, 2011, pursuant to the Alberta Business Corporation Act (Alberta), and is extra-provincially registered in the Yukon and British Columbia.

The Company was created as a result of a plan of arrangement undertaken in connection with the acquisition of Copper Canyon Resources Ltd by NovaGold Resources Inc and completed in May 2011. As the Company has not commenced production on any of its mining properties the Company is an exploration stage company.

The financial statements for the Company for the year-ending December 31, 2011 are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Business Overview

Omineca Mining and Metals Ltd. (OMM: TSX-V) is a junior resource company holding properties in Western Canada for the purpose of exploring for, and the development of mineral resources. Its primary objective is to enhance shareholder value through the acquisition and development of early-stage exploration projects. The company currently controls 3 gold mineral projects, 2 of which are currently under option agreements with third parties.

Plan of Arrangement

In June 2006, Copper Canyon Resources Ltd. was created by way of a plan of arrangement and spun-off from Eagle Plains Resources Ltd., on a one for one share basis to the shareholders, with three projects in its portfolio, Copper Canyon, Abo and Severance.

In May 2011, NovaGold Resources Inc acquired all of the outstanding common shares of Copper Canyon by way of a plan of arrangement (the "Arrangement") under the Business Corporations Act (Alberta).

Under the Arrangement, Copper Canyon shareholders received 0.0735 common shares of NovaGold for each common share of Copper Canyon, plus one common share of a newly incorporated company ("Omineca") for every four shares of Copper Canyon.

As part of the Arrangement, Copper Canyon transferred to Omineca $3,001,569 cash and its interests in the Harrison Lake (Abo) Gold Property, the Severance Project and the Kiwi Project as well as all share positions in other companies held by Copper Canyon.

Selected Annual Information

Selected annual information from the audited financial statements for the period ended December 31, 2011 is presented in the table below. The financial data for 2011 is prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in Canadian dollars.

	2011	2010	2009
Operating Revenues	$ -	$ -	$ -
Profit (Loss) for the year	(1,059,314)	(547,084)	(443,213)
Profit (Loss) per share	(0.09)	(0.01)	(0.01)
Diluted profit (loss) per share	(0.09)	(0.01)	(0.01)
Total assets	3,469,476	1,029,223	395,213
Total long term liabilities	-	-	-
Cash dividends per share	-	-	-

Profit (loss) for the year can be effected significantly by non-operating expenses such as stock compensation expense, option proceeds in excess of carrying value, write down of mineral properties, impairment of investments and gain or losses on sale of investments. Following are items that have had such an effect:

	2011
Stock compensation expense	$ 371,823
Option proceeds in excess of carrying value	40,085

RESULTS OF OPERATIONS

At the time of the spin out from Copper Canyon the Commission requested carve-out financial statements (hence treating the spin-out as a continuity of interest). Consequently, Omineca's first set of FS requires comparative disclosure, along with the carve-out of Jan-May 20th balances – as if Omineca always existed. As a result, the year-end financial statements include amounts related to the Jan – May 20th operations of Omineca's predecessor Copper Canyon Resources Ltd.

For the period ended December 31, 2011, the Company recorded a net loss of $1,059,314. Included in this net loss is $455,849 of costs related to the Jan – May 20th period.

Revenue

Investment income of $12,981 is comprised of interest earned on term deposits.

The company included in income option proceeds in excess of carrying value of $40,085. These excess proceeds are the result of the shares and cash received from option agreements during the period.

Expenditures

Operating expenses for the period were $397,127. These expenses were for office personnel, investor relations, professional fees and public company costs for the period. Included in these operating expenses is $112,419 of costs related to the Jan – May 20th period.

Loss on sale of investments of $343,430 is related to the Jan – May 20th period.

The Company recorded stock compensation expense of $371,823 for 1,445,000 options issued to employees, consultants and directors in the period.

Liquidity and Financial Resources

At December 31, 2011, the Company had working capital of $2,939,338. This is a result of cash received as part of the Plan of Arrangement, $3,001,569, plus proceeds of $379,277 received from a financing in December 2011, less ongoing operating costs.

The Company held cash and cash equivalents of $2,872,345. The cash results from cash received as part of the Plan of Arrangement, $3,001,569, plus proceeds of $379,277 from a financing in December 2011, less ongoing operating costs.

At December 31, 2011, the Company held investments comprised of publicly traded securities having a market value of $98,125, publicly traded securities held in escrow valued at $7,625 and Guaranteed Investment Certificates in the amount of $5,000. Market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company.

The Company's continuing operations can be financed by cash on hand and or the liquidation of marketable securities. Expanded operations or aggressive exploration programs would require additional financing, primarily through the public equity markets, or through joint venture partnerships. Circumstances that could affect liquidity are significant exploration successes or lack thereof, new acquisitions, changes in metal prices and the general state of the equity markets for junior exploration companies.

The exploration and development programs of the Company are determined by management with all of the above taken into consideration.

The Company has no other long term debt obligations or other commitments for capital expenditures.

Financing

In the fourth quarter, the Company issued 2,107,094 flow-through units for gross proceeds of $379,277. Flow-through units were sold at a price of $.18 per unit, each unit consisting of a flow-through common share and one-half non-flow-through common share purchase warrant, each warrant exercisable at $.30 for a 24 month period, expiring December 15, 2013.

Investments

At December 31, 2011, the Company held investments comprised of publicly traded securities having a market value of $98,125, publicly traded securities held in escrow valued at $7,625 and Guaranteed Investment Certificates in the amount of $5,000. Market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company.

The Company holds public traded securities held in escrow valued at $7,625. These securities are to be released to the Company over a period from February 15, 2012 – February 15, 2015. The Company received 45,000 shares from escrow on February 15, 2012.

The Company holds Guaranteed Investment Certificates in the amount of $5,000 which have maturity dates of greater than three months.

During the year the Company:

a) received 200,000 shares for the option agreement executed during the period and recorded with an attributed value of $29,000.
b) received 45,000 shares released from escrow with an attributed value of $4,500. This is due to the price of the shares being less than when received as compared to when originally recorded in escrow.

The market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company.

Exploration and Evaluation Assets

The required detailed schedule of Mineral Exploration Properties for the period is included in the Company's financial statements. For details of option agreements on properties refer to Note 7 in the financial statements.

Abo

The property, situated 5 kilometers north of Harrison Hot Springs, B.C., consists of 11 contiguous Modified Grid mineral claims totaling 2474 units. The Hot 4 claim is subject to a 1% NSR and a 2% NSR to two individuals.

The Abo property (also known as Harrison Gold) has seen significant drilling activity since 1975 including mapping, soil sampling, and ground based geophysics and a total of 13,856m (45448ft) of diamond drilling.

Property mineralization consists of a number of gold occurrences associated with a series of intrusive stocks. Accessory minerals include copper, silver, lead, zinc, molybdenum, tungsten and bismuth. The property is road-accessible year round, with hydroelectric power and rail-service located within 3 kilometers of property boundaries.

On November 21, 2011, the Company completed an option purchase agreement whereby Sierra Madre Developments Inc. ("Sierra")(TSX-V:SMG) may acquire a 100% interest in the property by making exploration expenditures of $3,000,000 and completing payments of 4,000,000 shares and $1,000,000 cash over the five year period commencing on the date of Exchange Approval. The Property is subject to a 2% Net Smelter Return Royalty payable to Omineca. Sierra has the right to purchase 1% of the Royalty at any time for the sum of $1,000,000 in cash.

Kiwi

Omineca has an unencumbered 100% interest in the Kiwi property located 70 km northeast of Ross River, in the central Yukon. The claims consist of 32 units (652 ha) located 25km west of the North Canol Road which overlie high-grade gold occurrences associated with intrusive rocks and north-west trending structures. Past operators reported in-situ visible gold with analytical values of up to 115 g/t gold and 32 g/t silver reported from a grab sample at the VG Showing. 113 new claims were staked in the summer of 2011 to increase the property holdings.

The Company completed a $200,000 drill program in 2011, following fieldwork completed in 2010. A single drill hole (350m) was collared in the area of the VG Showing and intersected skarn-type alteration and brecciation including considerable sulphide mineralization, but failed to return significant gold values. Additional work is planned for the property in 2012.

Severance

The property, located in the west-central Yukon, was originally acquired through an option agreement whereby a 2% Net Smelter Royalty is reserved for the vendor, 4763 NWT Ltd., half of which may be purchased at any time for $1,000,000. The Company has also agreed to reserve for the vendor 25% of the proceeds from any subsequent third-party sale or option of the claims, to a maximum of $100,000.

On March 21, 2007, an option agreement was executed with Northern Freegold Resources Ltd. ("NFR"; which has common directors with the Company) whereby NFR may earn a 100% interest (less 3% NSR, of which 2% may be purchased for $1,500,000) in the property. NFR has fulfilled its option commitments and has earned its 100% interest in the property. Under the agreement, Northern Freegold Resources Ltd. also agreed to:

(a) assume Omineca's obligation to pay to 4763 NWT Ltd. a 2% Net Smelter Royalty on all mineral production from the Severance Property,
(b) pay to Omineca a 1% Net Smelter Royalty following commercial production on the Severance Property.

In December 2011, NFR staked 192 additional claims that fall within the Area of Common Interest and, as Omineca paid 50% of the costs, are now included as part of the option agreement.

Pursuant to the March 21, 2007, Severance Property Option Agreement with Northern Freegold Resources Ltd., Omineca has the right to receive 500,000 shares of Northern Freegold Resources Ltd. following:

(a) the commencement of commercial production;
(b) Northern Freegold Resources Ltd.'s transfer of its interest in the Severance Property without Omineca's consent; or
(c) the sale, transfer, conveyance or other disposition of a control interest in Northern Freegold Resources Ltd. (control interest being an interest allowing a holder to direct or cause the direction of the management and policies of Northern Freegold).

In November 2011 the Company agreed to accept 500,000 shares of Northern Freegold in consideration for removing the above caveat and its remaining interest in the property. The shares will be released as to 125,000 shares each six months over the period January 25, 2012 to May 16, 2013. The first 125,000 shares were received on January 25, 2012. The Company is obligated to transfer 25% of the 500,000 shares (to a maximum value of $28,750) it received to 4763 NWT Ltd.

Transactions with Related Parties

The Company was involved in the following related party transactions during the year:

(a) The Company is related to Eagle Plains Resources Ltd. ("EPL") and Terralogic Exploration Inc. ("TL") through common directors. During the period the Company had the following transactions with the related companies (including HST):

		2011
Administration and operating services provided by EPL	**$**	**122,932**
Exploration services provided by TL		**311,190**

Compensation to key management

(b) Included in administration expenses is $32,000 paid for accounting services and related expenses to Glen J. Diduck, a director and officer of the Company.

(c) Included in professional fees is $9,481 paid for legal fees to a law firm of which one of the directors, Darren Fach, is a partner.

(d) Included in administration expenses is $21,875 paid for directors fees.

(e) Included in administration expenses is $93,817 paid for consulting fees to Toklat Resources Inc., a company owned by Tim Termuende, a director and officer of the Company.

(f) In the year, the Company issued 1,050,000 options, with an exercise price of $0.40 and expiry date of June 8, 2016, to directors of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties.

Disclosure of Management Compensation

The Corporation has a standard compensation agreement to pay all directors an annual retainer fee of $5,000 and a stipend of $250 per board or committee meeting attended as compensation for services rendered as directors. The following payments were made in the period to directors:

Tim Termuende	Director	$	3,125
Glen Diduck	Director		3,125
Chuck Downie	Director		3,125
Darren Fach	Director		3,125
Ron Netolitzky	Director		3,125

David Johnston	Director	$ 3,125
Neil MacDonald	Director	3,125
		$ 21,875

The Corporation has standard compensation agreements with certain Officers to pay $10,167 per month as compensation for services as an officer of the Corporation. Payments totalling $125,817 including bonuses were paid out in the year.

The Corporation has a Stock Option Plan (the "Plan") to provide an incentive for directors and officers of the Corporation to directly participate in the Corporation's growth and development by providing them with the opportunity through options to purchase common shares to acquire an increased financial interest in the Corporation. At the discretion of the Corporate Governance and Compensation Committee ("CGCC") options are granted to individuals taking into account the Corporation's long-range objectives, comparing and matching in most cases option grants and holdings for similar positions in the comparator group, and previous grants to such individuals.

There were 1,050,000 options, with an exercise price of $0.40 and expiry date of June 8, 2016, granted in June 2011 to Directors and Officers of the Company as follows:

	Expiry Date	Jan 8, 2016
	Price	$0.40
Tim Termuende	Director and CEO	200,000
Glen Diduck	Director and CFO	150,000
Chuck Downie	Director	200,000
Darren Fach	Director	125,000
Ron Netolitzky	Director	125,000
David Johnston	Director	125,000
Neil MacDonald	Director	125,000
		1,050,000

Summary of Quarterly Results

The following is a summary of quarterly results as published:

Year Quarter	2011 Dec 31	2011 Sep 30	2011 Jun 30	2011 March 31
Revenues	nil	nil	nil	nil
Investment Revenues	5,038	7,906	37	nil
Net Loss	(107,758)	(73,711)	(421,996)	(455,849)
Loss per Share	(0.01)	(0.00)	(0.03)	n/a
Diluted Loss per share	(0.01)	(0.00)	(0.03)	n/a
Total assets	3,469,476	3,215,548	3,362,454	n/a

Investment Revenues
Represents interest received on bank deposits.
Net Loss
At the time of the spin out from Copper Canyon the Commission requested carve-out financial statements (hence treating the spin-out as a continuity of interest). Consequently, Omineca's first set of annual financial statements requires comparative disclosure, along with the carve-out of Jan-May 20th balances – as if Omineca always existed.

As a result, the year-end financial statements include amounts related to the Jan – May 20th operations of Omineca's predecessor Copper Canyon Resources Ltd.

Included is this net loss of $455,849 for costs related to the Jan – May 20th period.

Profit (loss) for the year can be effected significantly by non-operating expenses such as share-based payments, option proceeds in excess of carrying value, write down of exploration and evaluation assets, impairment of investments and gain or losses on sale of investments. Following are items that have had such an effect:

	2011
Share-based payments	$ 371,823
Option proceeds in excess of carrying value	40,085

Fourth Quarter

For the quarter ended December 31, 2011, the Company recorded a net loss of $107,758.

Income

Investment income of $5,308 is comprised of interest earned on deposits.

The company included in income option proceeds in excess of carrying value of $40,085. These excess proceeds are the result of the value of shares and cash received from option agreements exceeding the carrying value of properties.

Expenditures

Operating expenses for the quarter were $126,350. These costs represent the personnel costs, investor relations costs and other office costs for the period.

The Company recorded stock compensation expense of $3,880 for options in the quarter.

Investments

At December 31, 2011, the Company held investments comprised of publicly traded securities having a market value of $98,125, publicly traded securities held in escrow valued at $7,625 and Guaranteed Investment Certificates in the amount of $5,000. Market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company. See earlier section on investments for further detail.

During the quarter the Company:

a) received 200,000 shares for the various option and property purchase agreements in effect with an attributed value of $29,000.

The market value is based on market prices for publicly traded shares and may not approximate trading prices at the time of disposition. Management regularly reviews the portfolio and makes decisions for trading based on current market trends and requirements of the Company.

Mineral Exploration Properties

The Company incurred exploration expenditures of $35,767 on mineral properties in the quarter. The Company received cash payments of $50,000 and received 200,000 shares recorded at a value of $29,000 in fulfilment of various option agreements.

The Company recorded option proceeds received in excess of carrying value of $40,085 in the quarter.

Shareholders' Equity

Accumulated other comprehensive gain (loss) records the unrealized gains and losses on marketable securities and the Company recorded an adjustment for unrealized gains of $38,350 in the quarter resulting in a balance of $(19,626).

Transactions with Related Parties

The Company was involved in the following related party transactions during the quarter:

(a) The Company is related to Eagle Plains Resources Ltd. ("EPL") and Terralogic Exploration Inc. ("TL") through common directors. During the period the Company had the following transactions with the related companies (including HST):

		2011
Administration and operating services provided by EPL	**$**	**44,747**
Exploration services provided by TL	**$**	**15,596**

Compensation to key management

(a) Included in administration expenses is $18,000 paid for accounting services and related expenses to Glen Diduck, a director and officer of the Company.

(b) Directors fees were paid in the amount of $21,875.

(c) Included in administration expenses is $40,000 paid for consulting fees to Toklat Resources Inc., a company owned by Tim Termuende, a director and officer of the Company.

All related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties.

Subsequent Events

a) On January 25, 2012, the Company received 125,000 shares of Northern Freegold Resources Ltd. as the first tranche of shares per the option agreement on the Severance property.

b) On March 21, 2011 Omineca entered into a formal agreement (subject to regulatory approval) to acquire all issued and outstanding shares of Gravitas Metals Corp., a private British Columbia Corporation. The primary asset held by Gravitas is the option to earn an 80% interest in the Sully group of claims, located near Fort Steele in southeastern British Columbia.

   Terms of the agreement require Omineca to complete either a 1500m drilling program or make $400,000 in exploration expenditures by June 30, 2012, issue to Gravitas 10 million voting-class common shares prior to March 21st, 2013 and assume the underlying option agreement on the Sully Property.

   In order for Gravitas to earn its 80% interest in the Sully Property, Gravitas must incur a total of $3,000,000 in exploration expenditures and issue $1,410,000 in cash or shares to the underlying property vendors by 2014. An 80/20 joint venture will be formed at the time of exercise of the option. A 2% NSR will be held in favor of the underlying vendors, half of which may be purchased for $5,000,000.

Off-Balance Sheet Arrangements

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

Critical Accounting Estimates

Estimates relevant to the Company include the capitalization of certain exploration expenditures, and the expensing of the “fair value” of warrants and share-based compensation, such as stock option grants.

The Company reviews capitalized costs on its property interests on an annual basis and will recognize impairment in value based upon current exploration results and upon management’s assessment of the future viability of the properties.

Under the new accounting rules used for the Company, the “fair value” of warrants and stock based compensation must be expensed for income statement purposes. In addition, agents warrants issued as stock-based compensation to brokers must be similarly accounted for and recorded as a share issue cost. The determination of the fair value of options and warrants for this purpose is done using the “Black Scholes” formula. Some of the parameters used in this formula are highly subjective, in particular the assumption of future share price volatility, and therefore the amounts expensed are highly subjective and may not be reflective of the true cost of the options and warrants granted. If none of the options and agents’ warrants are exercised, the amounts previously expensed are not adjusted and the increases in the Company’s balance sheet Deficit account and Share Capital account remain.

Financial Instruments

The Company carries various financial instruments and is management’s opinion that the Company is not exposed to significant risks arising from these financial instruments. Substantially all of the Company’s cash is held at two recognized Canadian National financial institutions. As a result, the Company is exposed to all of the risks associated with these institutions.

Disclosure of Outstanding Share Data

The Company has an unlimited number of common shares without nominal or par value authorized for issuance.

At April 30, 2012, the Company has 18,024,838 common shares issued and outstanding. There are no other classes of shares outstanding.

At April 30, 2012, the Company has 1,380,000 stock options outstanding with expiry dates of June 8, 2016.

At April 30, 2012, the Company has 1,053,547 warrants outstanding with expiry dates of December 15, 2013.

A detailed schedule of Share Capital is included in Note 7 to the Company’s financial statements.

Accounting Policies

The financial statements for the Company for the period ending December 31, 2011 are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Refer to Note 4 to the financial statements for information pertaining to accounting changes effective January 1, 2011.

Risks Factors

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

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

Development of the Company's properties will only be potentially pursued if favourable exploration results are obtained that demonstrate that economic extraction of minerals is justified. The business of exploration for minerals and mining involves a high degree of risk. Whether a mineral deposit can be commercially viable depends upon a number of factors, including the particular attributes of the deposit, including size, grade and proximity to infrastructure; metal prices, which can be highly variable; and government regulations, including environmental and reclamation obligations. Few properties that are explored are ultimately developed into producing mines.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for any proposed development of the Company's properties can be obtained on a timely basis.

The marketability of any minerals acquired or discovered by the Company in the future may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which may result in the Company not receiving an adequate return on investment capital.

There is no assurance that the TSX-V or any regulatory authority having jurisdiction will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise.

Financial Capability and Additional Financing

The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although the Company has been successful in the past in financing its activities through the sale of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to carry out exploration and development work on its properties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of the Company.

Mining Titles

There is no guarantee that the Company's title to or interests in the Company's property interests will not be challenged or impugned. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. With the exception of certain Crown Granted Mineral Claims and legacy tenures, the Company has not surveyed the boundaries of its properties and consequently the boundaries may be disputed.

There can be no assurance that the Company's rights will not be challenged by third parties claiming an interest in the properties.

Management

The success of the Company is currently largely dependent on the performance of its officers. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to the applicable corporate and securities legislation, regulation, rules and policies.

Dilution

There are a number of outstanding options and warrants pursuant to which additional common shares of the Company may be issued in the future. Exercise of such options and warrants may result in dilution to the Company's shareholders. In addition, if the Company raises additional funds through the sale of equity securities, shareholders may have their investment further diluted.

History of Losses and No Assurance of Profitable Operations

The Company has incurred a loss since inception. There can be no assurance that the Company will be able to operate profitably during future periods. If the Company is unable to operate profitably during future periods, and is not successful in obtaining additional financing, the Company could be forced to cease its exploration and development plans as a result of lacking sufficient cash resources.

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions may occur. These unexpected or unusual conditions may include rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may adversely affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the sale of gold, copper, and possibly other metals. The prices of gold, copper, and other commodities have fluctuated widely in recent years and are affected by factors beyond the control of the Company including, but not limited to, economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply of gold and copper due to new mine developments, mine closures, and advances in various production and technological uses for gold and copper. All of these factors will have impacts on the viability of the Company's exploration projects that are impossible to predict with certainty.

Competitive Conditions

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical facilities. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and produced economically; the technical expertise to find, develop, and produce such properties; the labour to operate the properties; and the capital for the purpose of financing development of such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a world-wide basis and some of these companies have much greater financial and technical resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these mineral deposits could have a material adverse effect on the Company's results.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced high levels of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Inadequate Infrastructure May Affect the Company's Operations

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Other MD & A Requirements

Additional information relating to the Company is available on the SEDAR website: www.sedar.com under "Company Profiles" and "Omineca".

Forward Looking Statements

"All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements.

Outlook

Financial markets continue to show volatility and unpredictability. With these conditions invariably comes opportunity. With a robust treasury, strong share structure and experienced, proven management, Omineca stands poised and ready to seize opportunities as they arise. This has been demonstrated in the recent agreement to acquire Gravitas Metals, which in turn holds an option on a very attractive, exciting prospect in southeastern BC.

Omineca will continue to protect is treasury, while at the same time seeking out and acting on opportunities as they present themselves. The Board would like to thank our shareholders for their continuing support, and looks optimistically forward to whatever the future may bring.

On behalf of the Board of Directors

"Timothy J. Termuende"

Timothy J. Termuende, P.Geo.
President and CEO