

**STRATABOUND MINERALS CORP.  
INTERIM MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE QUARTER ENDED MARCH 31, 2013**

May 30, 2013

The following discussion and analysis of financial condition and results of operations should be read in conjunction with the Company's annual audited financial statements and related notes for the year ended December 31, 2012, the annual Management Discussion and Analysis dated April 30, 2013, and the Condensed Interim Financial Statements and related notes prepared by management for the period ended March 31, 2013 which have been prepared in accordance with International Financial Reporting Standards (IFRS).

**Description of Business**

Stratabound is in the business of mineral exploration and evaluation, with base metal, silver and gold properties in New Brunswick, and gold and base metal prospects in Quebec. The Company has recently successfully completed a mining and milling campaign on its Captain North Extension (CNE) Mining Lease near Bathurst, New Brunswick, with ore being trucked to Xstrata Zinc's mill for production of saleable concentrates. Net revenues will be used to fund drilling and other exploration activities in New Brunswick.

**Overview and Summary**

On January 24, 2013, Stratabound received regulatory approval to construct and operate the CNE Mine.

With Xstrata's mill scheduled to shut down permanently in mid-April, this left Stratabound only a 10-week "window of opportunity" to develop, mine and truck ore to the mill for production of concentrates.

Mine development was initiated on January 26, 2013 and production commenced by March 5, 2013.

Stratabound's employees, consultants and contractors did a superb job under trying conditions, overcoming on a daily basis challenges arising from heavy rain and snow and the necessity of constantly grading, plowing and maintaining 53 kilometres of gravel roads for ore delivery during the break-up season.

A total of 62,720 dry metric tonnes (DMT) were milled in April, 2013 at an average grade of 8.13% zinc, 3.22% lead, and 111 g/t silver. Saleable production was 6,239 DMT of zinc concentrate grading 54.55% zinc; 2,122 DMT of lead concentrate grading 41.51% lead and 919 g/t silver; 1,541 DMT of bulk concentrate with 42.21% zinc, 16.27% lead, and 491 g/t silver; and 50 DMT of copper concentrate grading 12.41% copper and 2,436 g/t silver.

In May, 2013 Stratabound received a provisional payment of \$6,094,667 (CDN) from Xstrata Zinc for these concentrates.

Based on April 2013 metal prices and exchange rates, this amount represents 80% of the total revenue to be received by Stratabound. Final settlement will be based on average metal prices and exchange rates for the month of June 2013.

Milling and marketing fees of \$1,934,695 (CDN) were paid in full to Xstrata. Provisional revenue received net of these fees was \$4,159,972.

A \$1,400,000 production loan announced in a news release dated November 21, 2012 has been repaid, and Stratabound anticipates that an \$850,000 loan that was used to post reclamation bonds will be repaid on the due date, June 30, 2013. Following completion of the reclamation program, expected to be this summer, the bonds will be reimbursed to Stratabound.

This milling campaign represents the last ore ever to be processed at Brunswick #12 mill. For decades, Brunswick #12 was the world's largest underground zinc mine.

On the optioned Commander property, which adjoins the north boundary of the CNE/Captain claim groups, the Company completed gravity and transient electromagnetic (UTEM) geophysical surveys during the first quarter. The Commander survey data, as well as geophysical work previously completed on Stratabound's 100%-owned CNE/Captain groups, have been reviewed by Dr. Jules Lajoie. Several new drill targets have been identified, including locations within the Commander gravity anomaly and others closer to the CNE Mine, which Stratabound intends to test during 2013.

### **Overall Performance**

During the first quarter of 2013 the Company spent \$73,779 on exploration and evaluation of its mineral properties and \$840,657 of development costs on the CNE Mine, compared with \$63,821 of exploration in the first quarter of 2012.

During the period the Company entered into a short-term loan facility with a private company controlled by its largest shareholder in the amount of \$850,000. This facility bears interest at 6% per annum and is repayable on June 30, 2013. As additional consideration, the Company issued 1,000,000 common share purchase warrants which vested immediately, are exercisable at \$0.20 per warrant and expire on June 5, 2014. The Company used these funds to post reclamation bonds with the New Brunswick Department of Energy and Mines.

On May 17, 2013, Stratabound repaid in full a \$1.4 million production loan.

Subsequent to the period end, Stratabound received notification of a \$25,000 exploration grant for the CNE/Captain claim group from the New Brunswick Department of Energy and Mines under the Junior Mining Assistance Program.

At March 31, 2013 the Company had working capital of \$630,443 compared with \$168,801 at March 31, 2012 and a working capital deficit of \$182,135 at the end of 2012.

### **Selected Financial Information**

The financial data are presented in accordance with International Financial Reporting Standards (IFRS). The reporting currency is the Canadian dollar.

## Summary of Quarterly Results

| <b>2013/2012</b>                          | <b>March<br/>31/13</b> | <b>Dec<br/>31/12</b> | <b>Sept<br/>30/12</b> | <b>June<br/>30/12</b> |
|---|------------------------|----------------------|-----------------------|-----------------------|
| Revenue – mining operations               | \$5,100,000            | \$                   | \$                    | \$                    |
| Revenue – interest income                 | 5,205                  | 188                  | 244                   | 294                   |
| Loss before income taxes (income)         | (1,631,589)            | 76,208               | 45,138                | 392,903               |
| Comprehensive loss (income)               | (1,628,591)            | (490,326)            | (44,738)              | 95,981                |
| Basic and diluted loss per share (income) | (0.022)                | 0.008                | 0.001                 | 0.001                 |

| <b>2012/2011</b>                          | <b>March<br/>31/12</b> | <b>Dec<br/>31/11</b> | <b>Sept<br/>30/11</b> | <b>June<br/>30/11</b> |
|---|------------------------|----------------------|-----------------------|-----------------------|
| Revenue – interest income                 | \$ 50                  | \$ 43                | \$ 2,424              | \$ 596                |
| Loss before income taxes (income)         | (63,913)               | 322,633              | 81,404                | 141,327               |
| Comprehensive loss                        | (26,430)               | 449,701              | 96,762                | 160,708               |
| Basic and diluted loss per share (income) | (0.001)                | 0.006                | 0.001                 | 0.004                 |

## Results of Operations

Expenses relating to exploration and evaluation of mineral properties and their acquisition are capitalized as Mineral Exploration and Evaluation Assets on the interim statements of financial position. Details of expenditures incurred on the Company's projects during the first quarter of 2013 and 2012 are listed under "Additional Disclosure" in this Management Discussion and Analysis.

General and administrative expenses in the first three months of 2013 were \$141,426 compared with \$40,218 for the corresponding period in 2012 (see Table below). The increase is largely due to a finance expense of \$90,963 attributable to interest on loans payable and amortization of the loan commitment fee.

As at March 31, 2013, the Company was awaiting payment from Xstrata Zinc for 39,942 dry metric tones of ore to be processed in April. Stratabound accrued \$5.1 million of revenue for this ore shipment.

Comprehensive income for the three months ended March 31, 2013 was \$1,631,589 compared to comprehensive income of \$26,430 for the corresponding period in 2012, due to delivery of ore from the CNE Mine to Xstrata Zinc.

## General and Administrative Expenses

|                                       | <b>2013</b>    | <b>2012</b> |
|---------------------------------------|----------------|-------------|
| <b>Three months ended March 31</b>    | <b>\$</b>      | <b>\$</b>   |
| Finance expense                       | <b>90,963</b>  | -           |
| Salaries and benefits                 | <b>17,829</b>  | 6,150       |
| Professional Fees                     | <b>11,944</b>  | 12,000      |
| Filing fees & investor communications | <b>10,238</b>  | 8,370       |
| Office and other                      | <b>8652</b>    | 11,898      |
| Rent                                  | <b>1,800</b>   | 1,800       |
| <b>TOTALS</b>                         | <b>141,426</b> | 40,218      |

## **Bathurst Base Metal Properties, New Brunswick**

Stratabound owns a 100% interest in the CNE Mining Lease and the CNE/Captain, Taylor Brook and Nepisiguit Brook claim groups, totaling 6,405 hectares, within the Bathurst Mining Camp in northeast New Brunswick, Canada, one of the world's greatest zinc-lead-silver districts. In addition, Stratabound holds an option on 1,049 hectares adjoining the northern boundary of the CNE/Captain claim group. The option agreement is with Commander Resources Ltd., and enables Stratabound to acquire up to a 65% interest in Commander's claims.

These 100%-owned and optioned properties are all situated in the heart of the Bathurst camp, with three world-class base metal mines occurring within a 20 kilometre radius of them, namely Brunswick No. 12, Brunswick No. 6, and Heath Steele. The wholly-owned claims host three known base metal sulphide bodies: the CNE Mine and the Captain and Taylor Brook deposits, on properties with potential that has not been fully explored.

Stratabound's exploration and development expenditures for the three months ended March 31, 2013 on the Bathurst base metal properties not including Commander, totalled \$855,407. Cumulative exploration and evaluation expenditures to March 31, 2013 are \$6,331,983 net of provincial government incentive payments and property expense write-offs. As mining at CNE began on March 5, 2013, \$1,322,346 was transferred from exploration and evaluation to property, plant and equipment.

### ***Captain North Extension (CNE) Mine***

During the period March 6 to April 15, 2013 lead-zinc-silver ore was mined from the CNE deposit, taking advantage of a short-term opportunity to utilize Xstrata Zinc's Brunswick #12 mill to produce saleable metal concentrates (see page 1).

Payable metals in concentrates were 7,540,148 lbs zinc; 2,251,257 lbs lead; 75,513 oz silver, 12,462 lbs copper; and 144 oz gold. These payable amounts were subject to standard smelter charges and concentrate freight, handling and financing charges by Xstrata.

Reclamation of the resulting open pit is currently underway and is expected to be completed this summer.

A number of geophysical anomalies located near the CNE Mine, including one situated about 500 metres east of the mine require exploration in the future to determine whether they represent additional mineralization.

Drill testing is planned for this year.

### ***Captain Deposit***

The most recent NI 43-101 compliant Technical Report and Resource Estimate, dated March 4, 2011, which is summarized below, reflects mineralization defined by 30 drill holes to date:

|  |
|--|
| <p><b><i>At 1.0% CuEq* cut-off:</i></b> Measured &amp; Indicated 667,000 tonnes @ 1.42% Cu, 0.048% Co, 0.25 g/t Au; plus Inferred 298,000 tonnes @ 1.18% Cu, 0.038% Co, 0.20 g/t Au.</p> |
|--|

|  |
|--|
| <b><i>At 0.6% CuEq* cut-off:</i></b> Measured & Indicated 1,006,000 tonnes @ 1.03% Cu, 0.051% Co, 0.20 g/t Au; plus Inferred 960,000 tonnes @ 0.64% Cu, 0.039% Co, 0.12g/t Au. |
|--|

*\*Based on total in-situ metal - no recovery factors applied*

A Preliminary Economic Assessment of the Bathurst properties (November 23, 2011) indicated the Captain deposit to be non-economic at that time and recommended additional drilling to further extend and sample the higher grade core of the mineralized zone, which remains open at depth.

The PEA further recommended that bore hole electromagnetic surveying be undertaken. Strong off-hole anomalies delineated by such work should be considered high priority drilling targets for lead-zinc mineralization flanking the copper stockwork zone.

Drilling has followed the zone to a depth of 400 metres, and a deeper hole is planned this year.

### ***Taylor Brook Deposit***

No work has been done on the Taylor Brook property in 2013.

This extensive blanket of pyritic massive sulphides is located 11 kilometres northwest of the CNE Mine and 6 kilometres northeast of the 25 million tonne Heath Steele Mine.

Hole TB12-38 was drilled in October, 2012 to test the 50 metre elevation, intersecting 8 metres of low-grade mineralization (1.49% Zn, 0.91% Pb and 36 g/t Ag). In addition Hole TB96-37 previously drilled to test an IP chargeability anomaly 350 metres west of the deposit was lengthened but intersected only pyrite.

As currently known this low-grade lead-zinc-silver deposit has a strike length of approximately 650 m and a down-dip extent of greater than 600 m. It comprises one to four stratabound horizons of heavily disseminated to semi-massive and massive sulphides interlayered with hydrothermally altered volcanic rocks.

Width and grades of the base metal mineralization are highly variable within the sulphide zone. Most of the intersections grade less than 3% lead and zinc although narrow high grade intervals (e.g. 1.0 m. of 10.7% Zn, 2.2% Pb and 5.2 oz/ton Ag in Hole TB95-2) have been encountered. Metal zonation, i.e. zinc and lead-rich tops and copper enriched bases, is locally developed on the scale of individual horizons or on the scale of total deposit thickness. The lead, zinc, and copper ratios are consistent with the same ratios from other deposits in the Bathurst Mining Camp.

The renowned Brunswick No.12 Mine contained perhaps 100 million tonnes of similar non-economic pyritic massive sulphides adjoining the economic deposits that produced 136 million tonnes of high-grade ore, and inasmuch as Taylor Brook is open along strike and down dip, additional drilling continues to be warranted.

A previous drill program by Stratabound located a "channel" containing 3% – 8% lead-zinc, indicating good exploration potential for Taylor Brook.

Stratabound is seeking a joint-venture partner to further explore this potential.

### ***Commander Option***

Stratabound has the option to acquire up to a 65% interest in the Commander property, a 1,049 hectare claim group adjoining the northern boundary of the CNE and Captain claims.

Stratabound's initial drilling was encouraging, intersecting good grades of copper-silver-cobalt-gold as disseminations and stringer-type pyrite-chalcopyrite veins (news release dated February 16, 2011). This mineralization resembled the Captain deposit, located approximately 4.5 kilometres to the south.

Following a limited gravity survey, another hole was drilled in October, 2012, intersecting 11 metres of 2.0% copper, 0.5 g/t gold and 7.5 g/t silver in chloritic pyroclastic rocks resembling the footwall at the Brunswick No. 12 and No. 6 massive sulphide deposits (news release dated November 1, 2012).

Stratabound's exploration work during the first quarter of 2013 focused on surface exploration of the Commander property comprising additional gravity and UTEM electromagnetic surveying. The gravity work outlined a large, subcircular half-milligal anomaly, 1.5 kilometres in diameter.

Highlights of the UTEM survey include a strong untested shallow response, which Stratabound expects to drill this summer, along with other electromagnetic targets within the gravity anomaly.

Cumulative expenditures to March 31, 2013 on the Commander option are \$523,324.

### **Green Point, New Brunswick**

A prospecting program has recently been completed on this 118 claim (2,561 hectare) property, located 2.5 kilometres north of the Bathurst camp.

This grass-roots prospect contains ten previously known sulphide occurrences, most of which are irregular veins less than one metre wide, carrying base metal and gold values. Nine holes were drilled by a previous owner, Dr. Ben Baldwin. A major alteration zone was reportedly intersected in the drilling. The best intersection was in Hole 3 where 1.17 g/t was reported over a 15.5 metre core length.

The 2013 work is a follow-up to Stratabound's initial 2011 exploration program, which collected and assayed 149 soil samples west of the Baldwin gold occurrence. Three prominent soil anomalies were outlined in the initial work.

Stratabound has a 100% interest, subject to a 2% net smelter return royalty.

Cumulative expenditures to March 31, 2013 are \$45,028.

### **Gemini Hills, Quebec**

No work has been done on the Gemini Hills, Quebec gold property in 2013.

In 2012, drilling was conducted on these claims funded by Canuck Exploration Ltd., a private company based in La Motte, Quebec, which thereby earned a 25% interest in the property. No mineralization of interest was intersected.

This 519 hectare property is situated near the village of Saint-Gérard-de-Berry, 90 kilometres north of Val-d'Or, Quebec.

After acquiring the claims in September 2010, a number of gold targets were identified with prospecting, induced polarization and magnetics.

In 2011 four outcrops were stripped, washed, sampled and mapped. Channel sampling defined mineralized intervals of 3.71 g/t gold over 1.5m and 1.87 g/t gold over 3.0m, within a mineralized deformation system accompanied by alteration and hydrothermal quartz and pyrite.

Cumulative expenditures to March 31, 2013 are \$139,268 net of government incentives.

### **Enja Property, Quebec**

No work has been done on the Enja claims in 2013.

This wholly-owned property is drill-ready following detailed airborne magnetic and VTEM surveys and an MMI-M soil geochemical survey. Recent discoveries by junior exploration companies have resulted in heightened activity and interest in the area. Stratabound is seeking a joint venture partner for a drilling program on these claims.

Enja comprises 47 claims covering 2,520 hectares located in terrain with potential for both precious and base metals. It is situated in Enjalran and Massicotte Townships, northwest Quebec, between the Detour Lake and Casa Berardi gold camps, and 35 kilometres west of the Selbaie Mine, a major past producer of copper, zinc, gold and silver. The Company's ground extends from the Ontario border eastward beyond the Turgeon River, and includes a portion of a pronounced circular structure resembling the metals-rich Selbaie Caldera.

A gold-bearing sulphide to oxide iron formation over 1-kilometre in length has been identified in the western portion of the property, and a volcanogenic massive sulphide setting containing zinc has been identified within a separate fault block on the eastern claims.

Cumulative expenditures on the Enja property to March 31, 2013 are \$172,258 net of government incentives.

### **Liquidity**

At March 31, 2013 the Company had working capital of \$630,443 compared with \$168,801 at March 31, 2012. Cash and cash equivalents at the end of the first quarter totalled \$120,132 compared to \$223,184 at March 31, 2012.

During the period the Company entered into a short-term loan facility with a private company controlled by its largest shareholder in the amount of \$850,000. The Company used these funds to post reclamation bonds with the New Brunswick Department of Energy and Mines.

As at March 31, 2013, the Company was awaiting payment from Xstrata Zinc for 39,942 dry metric tones of ore to be processed in April. Stratabound has accrued \$5.1 million of revenue for this ore shipment.

Subsequent to the period end, Stratabound received notification of a \$25,000 exploration grant for the CNE/Captain claim group from the New Brunswick Department of Energy and Mines under the Junior Mining Assistance Program.

The Company has no long-term debt, purchase obligations or off-balance sheet arrangements.

### **Additional Disclosure**

Detailed capitalized exploration and evaluation costs for the first quarter of 2013 and 2012 are broken-down by project as follows:

### **Capitalized Exploration and Evaluation Expenses**

| <b>THREE MONTHS ENDED MARCH 31, 2013</b> |  |                            |                  |                                 |                                   |                  |
|--|--|----------------------------|------------------|---------------------------------|-----------------------------------|------------------|
|  | <b>Bathurst<br/>Properties,<br/>NB</b> | <b>Green<br/>Point, NB</b> | <b>Enja Que.</b> | <b>Commander<br/>Option, NB</b> | <b>Gemini<br/>Hills,<br/>Que.</b> | <b>TOTALS</b>    |
|  | \$                                     | \$                         | \$               | \$                              | \$                                | \$               |
| <b>Cost – Jan<br/>01, 2013</b>           | <b>6,317,233</b>                       | <b>45,028</b>              | <b>169,266</b>   | <b>467,287</b>                  | <b>139,268</b>                    | <b>7,138,082</b> |
| Acquisition & renewals                   | 6,200                                  |                            | 2,992            |                                 |                                   | <b>9,192</b>     |
| Assays and analyses                      |  |                            |                  | 339                             |                                   | 339              |
| Core shack                               | 1,350                                  |                            |                  | 2,382                           |                                   | 3,732            |
| Drilling                                 |  |                            |                  |                                 |                                   | 0                |
| Geochemistry                             |  |                            |                  |                                 |                                   | 0                |
| Geology and supervision                  |  |                            |                  | 11,786                          |                                   | 11,786           |
| Geophysics                               |  |                            |                  | 38,976                          |                                   | 38,976           |
| Insurance                                |  |                            |                  |                                 |                                   | 0                |
| Line-cutting                             |  |                            |                  | 1,753                           |                                   | 1,753            |
| Salaries                                 | 7,200                                  |                            |                  | 800                             |                                   | 8,000            |
| <b>Cost - March<br/>31, 2013</b>         | <b>6,331,983</b>                       | <b>45,028</b>              | <b>172,258</b>   | <b>523,324</b>                  | <b>139,268</b>                    | <b>7,211,860</b> |
| Transferred to PP&E                      | (1,322,346)                            | 0                          |                  | 0                               | 0                                 | (1,322,346)      |
| <b>Cost - March<br/>31, 2013</b>         | <b>5,009,637</b>                       | <b>45,028</b>              | <b>172,258</b>   | <b>523,324</b>                  | <b>139,268</b>                    | <b>5,889,514</b> |

| THREE MONTHS ENDED MARCH 31, 2012 |                         |                    |                  |                 |                |                              |                          |                      |                    |                  |
|-----------------------------------|-------------------------|--------------------|------------------|-----------------|----------------|------------------------------|--------------------------|----------------------|--------------------|------------------|
|                                   | Bathurst Properties, NB | Ramsay Brook, N.B. | Elmtree, N.B.    | Green Point, NB | Enja Que.      | Lamoreaux Corner, Western NB | Loch Lomond, Southern NB | Commander Option, NB | Gemini Hills, Que. | TOTALS           |
|                                   | \$                      | \$                 | \$               | \$              | \$             | \$                           | \$                       | \$                   | \$                 | \$               |
| <b>Cost – Jan 01, 2012</b>        | <b>5,873,490</b>        | <b>396,485</b>     | <b>2,006,771</b> | <b>44,188</b>   | <b>277,397</b> | <b>30,988</b>                | <b>11,588</b>            | <b>169,875</b>       | <b>200,421</b>     | <b>9,011,203</b> |
| Acquisition & renewals            | 6,220                   |                    |                  |                 |                | 84                           |                          | 550                  |                    | 6,854            |
| Assays and analyses               |                         |                    |                  |                 |                |                              |                          |                      |                    | 0                |
| Core shack                        | 12,556                  |                    |                  |                 |                |                              |                          |                      |                    | 12,556           |
| Geochemistry                      |                         |                    |                  |                 |                |                              |                          |                      |                    | 0                |
| Geology and supervision           | 40,039                  |                    |                  |                 |                |                              |                          | 525                  | 1,847              | 42,411           |
| Geophysics                        |                         |                    |                  |                 |                |                              |                          |                      |                    | 0                |
| Line-cutting                      |                         |                    |                  |                 |                |                              |                          |                      |                    | 0                |
| Salaries                          | 2,000                   |                    |                  |                 |                |                              |                          |                      |                    | 2,000            |
| <b>Cost - Mar 31, 2012</b>        | <b>5,934,305</b>        | <b>396,485</b>     | <b>2,006,771</b> | <b>44,188</b>   | <b>277,397</b> | <b>31,072</b>                | <b>11,588</b>            | <b>170,950</b>       | <b>202,268</b>     | <b>9,075,024</b> |

### **Subsequent Events**

During April, 2013, the Company announced that it had issued 1,775,000 stock options to directors, officers, employees and consultants, of which 1,350,000 have been issued to Company insiders. Each option entitles the holder to acquire one common share of the Company for a period of five years at a price of \$0.10 per share. These options were issued in accordance with the Company's stock option plan.

During April, 2013, the Company ceased mining operations at its CNE property due to a mill closure. Management has not yet determined whether or not an economic level of resource remains in the mine, and thus no decision has been made on future mining operations on this property.

On May 17, 2013, Stratabound repaid in full a \$1.4 million production loan.

### **Related Party Transactions**

During the period the Company entered into a short-term loan facility with a private company controlled by its largest shareholder in the amount of \$850,000.

During the period, the Company paid rent of \$1,800 (2012 - \$1,800) for office space owned by officers of the Company.

### **Commitments and Contingencies**

At March 31, 2013, the Company has an outstanding lease commitment for the rental of a core shack/office/storage facility. The remaining obligation is \$10,800 and the lease expires on July 31, 2013.

At March 31, 2013, the Company has committed to spending \$300,000 on exploration to complete the year three requirements under the option agreement with Commander Resources. To date, the Company has incurred \$194,000 of this obligation; therefore, only \$106,000 is remaining to be spent this year.

The Company has no commitments related to its flow-through share issuances.

### **Share Capital**

The authorized capital of the Company consists of an unlimited number of common shares without par value. At March 31, 2013 the number of issued common shares was 75,887,611 (fully diluted 84,652,611)). As at May 30, 2013 the number of common shares issued remains the same (fully diluted 86,427,611).

### **Options outstanding at May 30, 2013**

| <b>Number of Options</b> | <b>Exercise Price</b> | <b>Expiry Date</b> |
|--------------------------|-----------------------|--------------------|
| 2,125,000                | 0.10                  | August 17, 2014    |
| 50,000                   | 0.12                  | August 17, 2014    |
| 950,000                  | 0.10                  | September 2, 2015  |
| 415,000                  | 0.13                  | July 12, 2016      |
| 2,225,000                | 0.10                  | May 17, 2017       |
| 1,775,000                | 0.10                  | April 8, 2018      |
| <b>7,540,000</b>         |                       |                    |

### **Warrants outstanding at May 30, 2013**

| <b>Number of Warrants</b> | <b>Exercise Price</b> | <b>Expiry Date</b> |
|---------------------------|-----------------------|--------------------|
| 2,000,000                 | 0.20                  | June 5, 2014       |
| 1,000,000                 | 0.20                  | June 5, 2014       |
| <b>3,000,000</b>          |                       |                    |

### **Risks and Uncertainties**

The business of exploration and mining is full of risk that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations to be conducted by the Company will be subject to all of the operating risks normally attendant upon mineral exploration and development. Failure to obtain financing can result in delay or indefinite postponement of exploration and development projects with the possible loss of such properties. While the Company has been successful in the past at raising funds, there can be no assurance that it will continue to do so. Equity financing opportunities require favorable market conditions and commodity prices that cannot be assured.

Whether a mineral deposit once discovered will be commercially viable depends on a number of factors, some of which depend on the particular attributes of the deposit, such as size, grade and proximity to infrastructure. These factors are beyond the control of the Company. The Company must also compete with a number of companies that may have greater technical or financial resources. The Company is

unable to predict the amount of time which may elapse between the date when any new mineral reserve may be discovered and the date when production will commence from any such discovery.

The exploration and development of mineral properties and the marketability of any minerals contained in such properties can be affected by many other factors beyond the control of the corporation, such as metal prices, availability of adequate refining facilities, or the imposition of new government regulation affecting existing taxes and royalties or environmental and pollution controls.

The directors of the Company are engaged and will continue to be engaged in the search for mining interests on their own behalf and on behalf of other companies, and situations may arise where the directors and officers may be in direct competition with the Company. Conflicts of interest, if any, which arise will be subject to and governed by procedures prescribed by the *Business Corporations Act* (Alberta) which require a director or officer of a corporation who is a party to, or is a director or an officer of or has a material contract with the Corporation to disclose his interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the *Business Corporations Act* (Alberta).

The Company's publicly filed documents are available on SEDAR at [www.sedar.com](http://www.sedar.com)

Additional information on the Company's projects including news releases, maps and photos can be viewed on the Company's website [www.stratabound.com](http://www.stratabound.com).

All scientific and technical data disclosed in this report has been reviewed and verified by Stan Stricker, P.Geol., a Qualified Person within the meaning of National Instrument 43-101.

John Duncan, P.Geol. is the Qualified Person for the Company's New Brunswick projects. Marc Boivin, P.Geol. is the Qualified Person for the Gemini Hills project in Quebec and John Charlton, P.Geol. is the qualified person for the Enja project in Quebec.

*Certain information regarding the Company contained herein may constitute forward looking statements. Forward looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Company believes that the expectations reflected in such forward looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward looking statements. The Company does not plan to update or alter any forward looking statement except where required by law. Specific statements include plans for further drilling and raising additional equity, specific risks include operational and geological risks and the ability of the Company to raise necessary funds for exploration. The Company's forward looking statements are expressly qualified in their entirety by this cautionary statement.*