

**NEW DIMENSION RESOURCES LTD.**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**February 28, 2015**

**Contact Person**

**Contact's Position**

**Contact's Telephone Number**

**Date of the Report**

**E-Mail Address**

**Website**

**Fred Hewett**

**President & C.E.O.**

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**April 27, 2015**

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**Form 51-102F1**  
**Management Discussion and Analysis**  
**For**  
**New Dimension Resources Ltd.**  
**(“NDR” or the “Company”)**

The following management’s discussion and analysis (“MD&A”) of the Company has been prepared as of April 27, 2015 and is intended to supplement and complement the Company’s unaudited consolidated financial statements for the three and nine months ended February 28, 2015 and should be read in conjunction with the audited financial statements of the Company for the years ended May 31, 2014 and May 31, 2013 together with the notes thereto. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

**NATURE OF BUSINESS**

The Company is engaged primarily in the acquisition, exploration and development of mineral resource properties throughout the Americas. The Company’s exploration activities are currently focused on mineral properties situated in north central Ontario. The Company also maintains mineral properties in, Manitoba and Argentina. The Company is listed on the TSX Venture Exchange (“TSXV”) and trades under the symbol “NDR”.

**HIGHLIGHTS FOR THE NINE MONTHS ENDED FEBRUARY 28, 2015 AND SUBSEQUENT EVENTS TO APRIL 27, 2015**

- The Company continues to focus on its mineral projects in Canada while at the same time conserving its treasury and controlling costs.
- The Company announced the appointments of Jim Dawson and Scott Heffernan to the Board of Directors. Mr. James Dawson is the President of Dawson Geological Consultants Ltd., a geological consulting company based in Vancouver, British Columbia. He has forty years experience as a Professional Consulting Geologist, and has been a Director of several public companies in the mineral resource industry including Minefinders Corporation Ltd. and Kivalliq Energy Corp. and is a member of Technical Advisory Board of Kaminak Gold Corp. In addition to managing his own consulting geological firm for many years, as a partner with Kerr, Dawson & Associates Ltd. from 1972 to 1985, Mr. Dawson participated in the discovery of the Blackdome Mine, Frasergold and Taurus Properties in British Columbia and the Big Horn Mine in Arizona. He was also part of the original Pan Ocean team, which in 1975 made the discovery of the Lac Cinquante uranium occurrence in Nunavut. Mr. Dawson Graduated from Memorial University with a B.Sc. in 1960 and a M.Sc. in 1963. Mr. Heffernan is Vice President of Exploration for True Gold Mining Inc. and a member of the Oxygen Capital Corporation management team. He is a registered Professional Geologist with over 15 years of hands-on international exploration and management experience. Prior to his current positions, he held the dual positions of Vice President, Exploration for Wealth Minerals Ltd., and Exploration Manager, Argentina for Cardero Resource Corporation. Mr. Heffernan holds a Bachelor Degree (Geology) from the University of Alberta and completed his Masters Degree (Geological Sciences) with the Mineral Deposit Research Unit (MDRU) and the Pacific Centre for Isotopic and Geochemical Research (PCIGR) at the University of British Columbia.
- The Company arranged a non-brokered private placement of up to 1,500,000 Units at a price of \$0.06 per Unit. Each Unit shall be comprised of one common share and one warrant. Each warrant will entitle the holder to acquire one common share of the Company at a price of \$0.15 for a period of 24 months immediately following the closing date. The warrants will be subjected to an accelerated exercise provision if the share price of the Company trades at or above \$0.25 for 10 or more consecutive trading days. Net proceeds of this private placement will be used to further the Company's exploration projects, fund possible new acquisitions and for general working capital.

## EXPLORATION OVERVIEW

NDR has previously concentrated its exploration activities in Nevada and Peru with property specific reviews conducted in other regions of North and South America. In fiscal 2011, the Company's exploration focus shifted to Canada and has focused on projects in the Yukon and Ontario.

	Midas, Canada \$	Mars, Canada \$	Lansing, Canada \$	Total \$
Balance, May 31, 2013	-	688,709	716,458	1,405,167
Acquisition and tenure	7,500	-	-	7,500
Wages and consultants	132,904	-	-	132,904
General Exploration	194,592	-	-	194,592
Amounts written-off	-	(688,709)	(716,458)	(1,405,167)
Balance, May 31, 2014	334,996	-	-	334,996
General exploration	139	-	-	139
Balance, February 28, 2015	335,135	-	-	335,135

The exploration programs described below were conducted under the direction of Fred Hewett, the Company's President and CEO, and a Qualified Person under NI 43-101. Mr. Hewett has reviewed the technical summaries.

The Company's projects are outlined as follows:

### CANADA

#### Midas Gold Project, Ontario

In September 2013, the Company announced that it had entered into an option agreement with Lakeland Resources Inc. to earn a 70% interest in the Midas gold property located in the Sault Ste. Marie Mining Division of north central Ontario.

The Midas gold property consists of 12 staked mining claims (139 claim units) covering 2,112 hectares and is situated approximately 50 kilometres northeast of the town of Wawa in northern Ontario. The Property is road accessible and is located approximately 20 kilometres southeast of Richmond Mines' (TSX: RIC) Island Gold Mine complex and Argonaut Gold's (TSX: AR) Magino Gold Project.

Sporadic exploration has been carried out in the area currently occupied by the Midas Property, beginning in the 1940's or earlier, with most work having been undertaken from late 1970's to 1990. Past exploration has included prospecting, trenching and sampling, airborne and ground geophysical surveys, geological mapping and diamond drilling.

During the winter of 2011, Lakeland carried out a program consisting of ground magnetics and induced polarization on a small grid cut, located in the southwestern area of the Property. To follow up this program Lakeland completed two-phases of diamond drilling consisting of sixteen (16) holes totaling 2,353 metres to test the induced polarization anomalies and the surface gold showings. Drilling resulted in the discovery of two gold bearing zones (zones M-11 and M-16) with fourteen (14) of the holes encountering gold mineralization. Highlights of the drilling are summarized in the following table:

Midas Gold Project - Significant Drill Hole Intervals				
Drill Hole	From (metres)	To (metres)	Width (metres)	Grade Au (g/t)
M-11-01	54.00	60.00	6.00	1.70
including	55.00	57.00	2.00	4.61
M-11-02	89.00	96.00	7.00	0.34
M-11-03	55.40	56.80	1.40	1.06
M-11-04	45.70	50.40	4.70	5.92
including	46.70	49.30	2.60	8.88
M-11-05	21.00	22.00	1.00	1.34
	27.00	30.90	3.90	3.79
including	28.90	30.90	2.00	7.03
M-11-08	53.05	57.50	4.00	0.72
including	56.50	57.50	1.00	2.39
M-11-09	58.20	62.00	3.80	2.71
including	59.20	61.00	1.80	4.04
M-11-11	57.00	63.50	6.50	0.25
including	57.00	57.60	0.60	1.37
M-11-14	36.50	38.50	2.00	1.92
including	36.50	37.50	1.00	3.33

- All results shown are over core lengths. True widths are not known;
- Drill core was industry standards NQ in size. All split or sawn core samples were submitted to Accurassay Laboratories of Thunder Bay, Ontario for analysis. All gold assaying was performed using a 30g standard fire assay with an AA and /or gravimetric finish.

Results from the two phases of drilling confirm the presence of a broad gold bearing structure, which has been traced for over 500 metres in strike length and is open. Based on drilling, geophysical surveying and geological mapping, it is postulated that the gold system lies along the south limb and shallow east plunging nose of a broad anticlinal fold structure; and is associated with widespread silicification and carbonization.

Subsequent to the drill programs, Lakeland reported that it had identified a new surface gold discovery, which returned grab sample values ranging from 2 g/t gold to 130 g/t gold. This new discovery is located approximately 500 metres west and along strike of drill hole M-11-01 (4.70 metres of 5.92 g/t gold), within the M-16 Zone, and is considered to add a significant strike component to the mineralized trend that now exists.

Under the terms of the agreement, NDR can earn its 70% by spending \$1.2 million in exploration expenditures, issuing 1.5 million shares and paying \$100,000 to Lakeland before December 31, 2016.

In November 2013, NDR commenced a diamond drill program on the Midas gold project. Drilling was designed to confirm and expand the GZ-1 Zone along strike and down dip. It also evaluated structural flexure that appears to locally control mineral distribution and is supported by geophysical data.

In February 2014, the Company announced the results of its eleven (11) hole, 1,488 metre diamond drill program completed on the Midas gold property. The drill program further defined gold mineralization that was previously identified in a 2011 drill program and confirmed that mineralization is hosted within quartz stockwork veining developed along east-west trending strongly pyritized shear zones. Drilling was designed to test the along strike and down dip extensions of gold mineralization encountered in previous drilling. Drill holes were positioned to better define structural corridors that are key to mineral distribution. Of note is that 9 out of 11 holes intersected pyritized east-west trending shear zones previously known as GZ1 and GZ2. Within the shears mineralization appears to be

associated with quartz stockwork veining. Two holes (MC-13-26 and MC-13-27) targeted IP geophysical anomalies outside of the GZ1 and GZ2 target areas and failed to intersect significant mineralization.

Both the GZ1 and GZ2 target zones trend east-west with shallow southward dips. They are strongly pyritized shear zones hosted in mafic to intermediate metavolcanics. The zones are sub-parallel and positioned approximately 200 metres apart. Geophysics interpretations suggest there is a flexure that locally disrupts mineral continuity, but further drilling is required to confirm this. More work is also necessary to better predict the relationship between the zones.

To date, the Company has received all the exploration data collected from the programs carried out at the Midas Property and is assessing the information to decide on its next course of action on the project.

#### Domain Project, Manitoba

The Domain project is located approximately 150 kilometres southeast of Thompson, Manitoba. The property was staked by the Company and is presently a Joint Venture with Mega Precious Metals Inc. ("Mega Precious"). Work to date on the property by the Company and others has defined a favorable Archaean greenstone belt with the potential of hosting economic banded iron formation related gold deposits.

In 2005, the property was optioned by the Company to Rolling Rock, who has since become a wholly owned subsidiary of Mega Precious. Rolling Rock earned its initial 51 percent interest by the issuance of 400,000 common shares to the Company and by spending \$300,000 in a Phase I drilling program in early 2006.

In early 2008 Rolling Rock elected to increase their interest to 65 percent with additional expenditures and conducted a Phase II drill program on the property. The Phase II drill program consisted of 17 diamond drill holes totaling 2,654 metres. Eight holes were completed on a target called the B Zone with several of these holes reporting noteworthy results including 4.61 grams per tonne gold over 15.25 metres (including 7.29 grams per tonne gold over 9.0 metres or 9.96 grams per tonne gold over 6.00 metres) in drill hole RR-08-20; and 4.61 grams per tonne gold over 18.05 metres (including 17.44 grams per tonne gold over 2.65 metres) in drill hole RR-08-23. Drill results suggested that gold mineralization in the B Zone is increasing in width and grade to the northwest as the better gold values were discovered within the westernmost 220 metres of the drilled area.

To follow-up the Phase II drill program, in November of 2008, the Joint Venture, completed a third phase of drilling on the project consisting of 2,420 metres of diamond drilling in 13 holes. This work confirmed the continuity of gold mineralization within the B-Zone and also extended its strike length by 150 metres to 850 metres. Five of the holes were positioned northwest of previous drilling with the north-westerly most hole reporting 5.5 g/t over 1.0 metre.

Mineralization at Domain is associated with northwest trending, steeply southwest dipping, siliceous, sulphide-bearing, shear zones with some holes identifying two to three separate intervals of mineralization. Drill holes within the shears commonly contain visible gold. Results of the exploration programs to date have established that the elevated gold values of the B Zone continue up and down dip from previously known intercepts and the target structures continue on strike to the northeast.

The B-Zone is the current highest priority target on the Domain property but multiple geophysical targets remain that have seen little or no drilling. The potential at Domain is comparable to Mega Precious' Monument Bay deposit which lies within the same belt of favorable rocks to the northeast.

During the year ended May 31, 2013, capitalized costs of \$394,221 related to the property were written off.

#### Donner Properties, Labrador

The Company holds an aggregate of 837,119 shares of SVB Nickel Company Ltd. ("SVBN") representing a 6.56% interest. Future exploration of the Donner properties in Labrador, held by SVBN, will be funded by the various shareholders of SVBN. Non-contributions, dilution of interest and third party contributions are governed by a shareholders' agreement.

## FINANCIAL CONDITION, LIQUIDITY, CAPITAL RESOURCES, OPERATIONS AND FINANCIAL RESULTS

### OVERALL PERFORMANCE

During the nine months ended February 28, 2015, the Company incurred a loss of \$90,194 (2014 - \$55,050) as it maintained its public listing and continued to evaluate projects for acquisitions.

A summary of the Company's financial position is as follows:

	February 28, 2015	May 31, 2014	May 31, 2013
Current assets	\$ 501,404	\$ 631,244	\$ 1,114,921
Non-current assets	\$ 335,135	\$ 334,996	\$ 1,416,669
Liabilities	\$ (40,731)	\$(80,238)	\$ (142,235)
Shareholder equity	\$ 795,808	\$ 886,002	\$ 2,389,355

### FINANCING PROCEEDS

During fiscal 2012, the Company raised \$484,500 from flow through share issuances and during the year ended May 31, 2014, the Company completed its flow through commitment as part of its drilling program on the optioned Midas property in Ontario, Canada.

### RESULTS OF OPERATIONS

During the three and nine months ended February 28, 2015, (the "current quarter and current period") the Company recorded net losses of \$25,854 or \$0.00 per share and \$90,194 or \$0.01 per share respectively. This compares with net losses of \$28,320 or \$0.00 per share and \$55,050 or \$0.01 per share for the three and nine months ended February 28, 2014 (the "comparative quarter and comparative period").

The \$2,466 reduction in the loss for the current quarter compared to the comparative quarter is largely a result of an increased foreign exchange gain realized on U.S. funds and a reduction in administrative costs offset by the reduction in other income on deferred premium to \$nil from \$10,504. The other income on deferred premiums is created as a result of the Company's flow through financings. In fiscal 2015, the Company has not completed any flow through financings resulting in the reduction of other income.

General and administrative expenses incurred during the current quarter were \$31,657 (comparative quarter - \$41,995) \$10,338 lower than the comparative period largely as a result of reductions in shareholder information and meetings costs \$7,386 (comparative quarter - \$12,159) and salaries and benefits \$1,055 (comparative quarter - \$8,996). The reduction in the general and administrative costs for the current quarter was a result of reductions in administrative activity levels as the Company reduced costs in the current market.

The \$35,144 increase in the loss for the current period compared to the comparative period is largely a result of cost reductions for salaries and benefits \$16,350 (2014 - \$33,457) and shareholder information and meetings \$23,904 (2014 - \$32,864) being offset by of a reduction in other income on deferred premium to \$nil from \$63,940.

General and administrative expenses incurred during the current period were \$98,619 (comparative period - \$129,303) \$30,684 lower than the comparative period largely as a result of reductions in salaries and benefits \$16,350 (comparative period - \$33,457), shareholder information and meetings costs \$23,904 (comparative period - \$32,864) and office and general \$21,735 (comparative period - \$27,999). The reduction in the general and administrative costs for the current quarter was a result of reductions in administrative activity levels as the Company reduced costs in the current market.

## Financial Condition - February 28, 2015 compared to May 31, 2014

At February 28, 2015 the Company had working capital of \$460,673 that included cash of \$498,742 compared to working capital of \$551,006 at May 31, 2014 that included cash of \$589,351. Also included in working capital at February 28, 2015 are current liabilities of \$40,731 compared to \$80,238 at May 31, 2014 and receivables of \$2,662 (May 31, 2014 - \$29,970). The reduction in the Company's working capital and financial position is largely a result of its funding of ongoing operations in Canada and its expenditures on evaluating properties for acquisition.

### SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly financial information of NDR and is derived from unaudited quarterly financial statements prepared by management.

Period	Revenues	Net loss (Income) for the period	Net loss per share for the period
Three months ended February 28, 2015	\$ Nil	\$ 25,854	\$ 0.00
Three months ended November 30, 2014	\$ Nil	\$ 47,988	\$ 0.00
Three months ended August 31, 2014	\$ Nil	\$ 16,352	\$ 0.00
Three months ended May 31, 2014	\$ Nil	\$ 1,457,715	\$ 0.03
Three months ended February 28, 2014	\$ Nil	\$ 28,320	\$ 0.00
Three months ended November 30, 2013	\$ Nil	\$ (5,883)	\$ 0.00
Three months ended August 31, 2013	\$ Nil	\$ 32,613	\$ 0.00
Three months ended May 31, 2013	\$ Nil	\$ 1,074,179	\$ 0.02

The Company's quarterly results can be affected by many factors such as winter conditions and/or seasonal fluctuations, variations in capital markets, the write-off of capitalized amounts, stock-based compensation costs, tax recoveries and other factors that affect Company's exploration and financing activities.

Mineral exploration, such as in Northern Canada, is often a seasonal business, and the Company's expenditures and cash requirements may fluctuate depending upon the season. In addition, if the Company's exploration in Canada is funded by flow through share issuances, losses may be reduced by any cash premium the Company received on the flow through share issuance. For accounting purposes, the cash premium is initially recorded on the balance sheet as a deferred premium and is credited to income as flow through expenditures are incurred resulting in other income on deferred premium.

The Company's expenditures may also be affected by the strength of capital markets. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level may decline as a result of difficulties raising funds. When capital markets strengthen and the Company is able to secure equity financing with favourable terms, the Company's activity levels and the size and scope of planned exploration projects may increase.

The Company's loss of \$25,854 for the third quarter of fiscal 2015 reflects costs of maintain its public listing. The Company continues to try to reduce activities and conserve cash while seeking to add additional projects of merit.

The Company's loss of \$47,988 for the second quarter of fiscal 2015 reflects costs of maintain its public listing and insurance for its operations. The Company continues to try to reduce activities and conserve cash.

The Company's loss of \$16,352 for the first quarter of fiscal 2015 reflects a reduction in the Company's activities as it has conserved cash and reduced costs.

The Company's loss of \$1,457,715 for the fourth quarter of fiscal 2014, largely reflects its write-off of \$1,405,167 of exploration and evaluation expenditures and costs for the administrative activities, offset by recoveries.

The Company's loss for the third quarter of fiscal 2014 continues to reflect cuts in overall administrative expenditures in the current financial market.

The Company's income for the second quarter of fiscal 2014 is largely a result of the Company realizing other income on deferred premiums as a result of incurring Canadian Exploration Expenditures while conducting an exploration program on the Midas Property in Ontario, Canada.

The Company's loss for the first quarter of fiscal 2014 reflects a reduction in its overall administration and exploration activities in a difficult financial market.

The loss for the fourth quarter of fiscal 2013 largely reflects its write-off of exploration and evaluation assets in Peru and its write down of its Domain project in Manitoba.

The Company's business consists of only one reportable segment, namely mineral exploration and evaluation. Details on a geographic basis are as follows:

	<b>February 28, 2015</b>	May 31, 2014
Total Non-Current Assets		
Canada	<b>335,135</b>	334,996
Total	<b>\$ 335,135</b>	\$ 334,996
	<b>Nine Months ended February 28, 2015</b>	Nine Months ended February 28, 2014
Loss		
South America	\$ -	\$ 2,417
United States	-	(531)
Canada	<b>90,194</b>	53,164
Total	<b>\$ 90,194</b>	\$ (55,050)

## LIQUIDITY AND CAPITAL RESOURCES

During the nine months ended February 28, 2015, the Company used cash of \$90,609 (comparative period – \$199,134) in its operating and investing activities.

### Operating Activities

During the nine months ended February 28, 2015, the Company's operating activities used cash of \$102,393 (comparative period - \$187,563) largely related to funding the ongoing general and administrative expenses of the Company. The reduction in the cash used in operating activities was largely a result of the Company cutting back administrative activities due to difficult market conditions.

### Investing Activities

During the nine months ended February 28, 2015, investing activities provided cash of \$11,784 comparative period – use of \$11,571) as a result of a recovery of a reclamation deposit of \$11,923 (comparative quarter - \$nil), funds transferred from restricted cash of \$nil (comparative period - \$319,701) and cash expenditures of \$139 (comparative period - \$331,272) on exploration of its properties. During the nine months ended February 28, 2015, the Company's focus has been on cutting costs, maintaining its listing and resource assets and seeking funds for acquisitions and exploration.

### Financing Activities

During the nine months ended February 28, 2015, the Company raised \$nil (comparative quarter - \$nil) from financing activities.



## CAPITAL RESOURCES

The Company has no operations that generate cash flow and its long-term financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record and the experience and calibre of its management.

The Company currently has sufficient financial resources to meet its administrative overhead expenses for the current operating period and maintain basic exploration activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activity and the state of the financial markets. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

### Commitments

- i) Pursuant to a Management Service Agreement with Northair Silver Corp. ("Northair"), a company with a director and an officer in common, the Company is provided with furnished office space, fully staffed and supplied in consideration of a fee, fixed quarterly, and paid monthly. Investor relations' activities are carried out by Northair's staff and consist of dissemination of information to shareholders and prospective investors through brochures, quarterly reports, annual reports and press releases. Amounts owing are non-interest bearing and due on demand. During the period, the Company gave notice to Northair that it was terminating the agreement effective March 31, 2015.
- ii) Please refer to the February 28, 2015 and May 31, 2014 financial statements for details on the Company's exploration and evaluation asset commitments.

## OUTSTANDING SHARE DATA

### Consolidation of share capital

During the nine months ended February 28, 2015, the Company completed a consolidation of its outstanding share capital on the basis of seven old for one new post-consolidated share. All share, per share and stock option information has been presented on a post-consolidated basis.

The table below presents the Company's common share data as of April 27, 2015.

	Price	Expiry date	Number of common shares
Common shares, issued and outstanding			8,170,689
Securities convertible into common shares			
Options			
	\$1.47	February 25, 2016	44,285
	\$1.47	March 10, 2016	17,141
	\$1.33	July 18, 2016	17,856
	\$1.05	December 16, 2016	22,141
	\$1.05	July 18, 2017	90,711
			<b>8,362,823</b>

## **RISKS AND UNCERTAINTIES**

NDR has no history of profitable operations and is an exploration stage company. As such, it is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and lack of revenues.

Some of the Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

Resource acquisition, exploration, development, and operation is a highly speculative business that involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of precious metals and other minerals may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish economically viable mineral deposits, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the acquisition, exploration or development programs planned by the Company will result in a profitable commercial mining operation. The potential for any project to eventually become an economically viable operation depends on numerous factors including: the quantity and quality of the minerals discovered if any, the proximity to infrastructure, metal and mineral prices (which vary considerably over time) and government regulations. The exact effect these factors can have on any given exploration property cannot accurately be predicted but the effect can be materially adverse.

### **Exploration Stage Company**

The Company is engaged in the business of acquiring and exploring mineral properties to locate economic deposits of minerals. All of its properties are in the early stages of exploration and are without defined mineral bodies. Advancement of the Company's properties will only occur after obtaining satisfactory exploration results. There can be no assurance that the Company's existing or future exploration programs will result in the discovery of economically recoverable mineral deposits. Further, there can be no assurance that even if an economic deposit of minerals is located, it can be commercially mined.

### **No Source of Operating Revenue**

At present, the Company's operations do not generate cash inflows and the Company's continued existence depends on management's ability to raise additional equity financing, discover recoverable mineral deposits and sell or otherwise participate in the development of those projects. Many factors influence the Company's ability to raise funds, including the health of the commodity resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required over time, but recognizes there are risks involved that may be beyond its control. If those risks fully materialize, the Company may not be able to raise adequate funds to continue its operations.

### **Political or economic instability in countries where the Company operates**

Certain of the Company's properties are located in countries, provinces and states which may be subject to political and economic instability, or unexpected legislative change which may delay or prevent exploration of properties. Exploration of the Company's properties could be adversely affected by:

- political instability and violence;
- war and civil disturbance;
- labour unrest or community relation issues;
- permitting issues
- expropriation or nationalization;

- changing fiscal regimes and uncertain regulatory environments;
- changes to royalty and tax regimes;
- underdeveloped industrial and economic infrastructure; and
- the unenforceability of contractual rights and judgments.

### **Competition**

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies in the search for and the acquisition of attractive mineral properties and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire properties in the future will depend not only on its ability to advance its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or advancement. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects. In addition, there is a limited supply of good geological talent and drilling crews and equipment. There is no assurance that the Company will be able to acquire the supply of geological talent or drillers, executives or other employees or contractors that are required to complete exploration work in planned time frames

### **Title to Property**

The Company has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that the Company will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. In addition, some of the Company's properties are held in the names of others. Third parties may have valid claims underlying portions of the Company's interests and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate. In addition, the Company may fail, due to error, omission, or technological issues to renew its claims in a timely manner, potentially resulting in the loss of valuable claims to property.

### **Personnel**

NDR is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of NDR could result, and other persons would be required to manage and operate the Company.

### **Commodity Price Risk**

The market price of precious metals and other minerals is volatile and cannot be controlled.

### **TRANSACTIONS WITH RELATED PARTIES**

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed below. Details of the transactions between the Company and other related parties are disclosed below.

The Company incurred the following transactions in the normal course of operations in connection with an officer and/or director or companies which have an officer and/or director in common.

		<b>Nine Months ended February 28, 2015</b>	Nine Months ended February 28, 2014
	<b>Note</b>		
Administrative costs		\$ 16,902	\$ 14,769
Accounting fees		2,960	8,175
Exploration		-	9,680
Shareholder information	(i)	\$ 12,740	\$ 17,920
Salary costs	(i)	\$ 16,350	\$ 33,457

(i) The Company reimbursed salaries to companies with certain officers and directors in common. These amounts have been recorded against salaries and benefits expense.

#### Related party balances

	<b>February 28, 2015</b>	May 31, 2014
Northair Silver Corp.	\$ 22,884	\$ 31,689

#### Compensation of key management personnel

The remuneration for the services of the Chief Executive Officer during the period was as follows:

	<b>Nine Months ended February 28, 2015</b>	Nine Months ended February 28, 2014
Salary(i)	\$ 3,520	\$ 19,880

(i) Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the nine months ended February 28, 2015 and 2014. The CEO's salary was paid to Northair, a company with a director and an officer in common, to reimburse it for a portion of the salary he was paid while an employee of Northair.

#### NATURE OF OPERATIONS AND GOING CONCERN

The Company is incorporated under the laws of the Province of British Columbia, Canada. The Company's registered address and records office is located at Suite 960 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Vancouver, British Columbia.

The Company engages primarily in the acquisition, exploration and evaluation of mineral properties.

The Company's consolidated financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred a deficit of \$8,301,888 at February 28, 2015 and has no current source of revenue. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise funds sufficient to meet current and future obligations. During fiscal 2012, the Company raised capital to meet capital requirements for fiscal 2014 and part of 2015. There can be no assurances that management's future plans for the Company will be successful. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments to the recoverability and classification of assets and liabilities that might be necessary, should the Company be unable to continue as a going concern.

## SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability and future benefits of exploration and evaluation assets, valuation of share based payments, non-cash transactions, valuation of deferred tax amounts and the valuation of deferred premiums.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

(i) *Economic recoverability and probability of future benefits of exploration and evaluation costs.*

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

(ii) *Valuation of share based payments*

The Company uses the Black-Scholes Option Pricing Model for valuation of share based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.

(iii) *Income taxes*

In assessing the probability of realizing income tax assets, management makes assessments related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

(iv) *Non-cash transactions*

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market price.

(v) *Deferred premiums*

The valuation of deferred premiums is based on fair value using market prices at the time the flow through financing is agreed to and is allocated to income based on the incurring of and assessment of qualifying expenditures.

### **Statement of Compliance with International Financial Reporting Standards**

The interim unaudited financial statements of the Company have been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended May 31, 2014.

### **Principles of Consolidation**

The Company’s consolidated financial statements have been prepared in accordance with IFRS and include the accounts of the Company and its wholly owned U.S. and Peruvian subsidiaries, Dimension Resources (USA) Inc., Camino Ventures S.A.C., and a Peruvian corporation, which the Company has an irrevocable right to acquire, Minera NDR Peru S.A.C., respectively. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Inter-company balances have been eliminated upon consolidation.

### **New Accounting Pronouncements**

The IASB has issued several new standards effective for annual periods beginning on or after January 1, 2014 with early adoption permitted, except for IFRS 9, which is delayed, and IFRS 7 which becomes effective January 1, 2015. The following is a brief summary of the new standards:

- **IFRS 9 - Financial Instruments – classification and measurement**  
This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, “Financial Instruments: Recognition and Measurement”. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value with changes in fair value through profit or loss. In addition, this new standard has been updated to include guidance on financial liabilities and derecognition of financial instruments. The extent of the impact of adoption of IFRS 9 has not yet been determined.
- **IFRS 7 – Financial instruments – disclosure**  
This standard has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. The extent of the impact of adoption of IFRS 7 has not yet been determined.

## FINANCIAL INSTRUMENTS

### Categories of financial instruments

	February 28, 2015	May 31, 2014
Financial assets		
FVTPL		
Cash	\$ 498,742	\$ 589,351
Loans and receivables		
Receivables	2,662	29,970
	<u>\$ 501,404</u>	<u>\$ 619,321</u>
Financial liabilities		
Other financial liabilities		
Accounts payable and accrued liabilities	\$ 40,731	\$ 80,238

### Fair value of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The Company's classifications of financial instruments within the fair value hierarchy are summarized below:

	February 28, 2015	May 31, 2013
Level 1		
Cash	\$ 498,742	\$ 589,351
Level 2	-	-
Level 3	-	-
	<u>\$ 498,742</u>	<u>\$ 589,351</u>

The carrying value of receivables and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

### Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

a) Currency Risk

The Company is primarily exposed to currency fluctuations relative to the Canadian dollar through expenditures that are denominated in US dollars and Peruvian Soles. Also, the Company is exposed to the impact of currency fluctuations on its monetary assets and liabilities.

The Company is exposed to foreign currency risk through the following financial assets and liabilities denominated in currencies other than Canadian dollars:

February 28, 2015	Cash	Receivables	Accounts payable and accrued liabilities
US dollars	\$ 33,012	\$ -	\$ -

May 31, 2014	Cash	Receivables	Accounts payable and accrued liabilities
US dollars	\$ 35,590	\$ -	\$ -

At February 28, 2015 with other variables unchanged, a +/-10% change in exchange rates would decrease/increase pre-tax loss by \$3,300.

b) Interest rate and credit risk

The Company has a positive cash balance and no interest-bearing debt. The Company has no significant concentrations of credit risk arising from operations. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk of loss to be remote. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Cash and restricted cash include deposits which are at variable interest rates. Sensitivity to a +/- 1% change in rates would affect annual net gain or loss by \$5,000.

Receivables consist of goods and services tax due from the Federal Government of Canada and accrued interest. Management believes that the credit risk concentration with respect to receivables is remote.

c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at February 28, 2015, the Company had a cash balance of \$498,742 (May 31, 2014 - \$589,351) to settle current liabilities of \$40,731 (May 31, 2014 - \$80,238).

d) Commodity Price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market prices of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.



## **CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and short-term investments.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period that ends May 31, 2015.

## **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Additional disclosure concerning NDR's general and administrative expenses and mineral property costs are provided in the Company's Consolidated Statement of Loss and Notes to the Financial Statements contained in its consolidated financial statements for February 28, 2015. These statements are available on NDR's website at [www.newdimensionresources.com](http://www.newdimensionresources.com) or on its SEDAR Page Site accessed through [www.sedar.com](http://www.sedar.com).

## **APPROVAL**

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

## **ADDITIONAL INFORMATION**

Additional information relating to NDR is on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD LOOKING INFORMATION**

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company's future operations, future exploration and development activities or other development plans contain forward-looking statements.

All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining

activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks, and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.