MANAGEMENT DISCUSSION AND ANALYSIS

Dated May 30, 2013

For the three month period ended March 31, 2013

(Form 51-102F1)

May 30, 2013

This Management's Discussion and Analysis (MD&A) reviews the activities of Conquest Resources Limited ("Conquest", or the "Company") and compares the financial results for the quarter ended March 31, 2013 with those of the corresponding period of 2012. For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the audited financial statements and the accompanying notes for the year ended December 31, 2012, a copy of which is filed on the SEDAR website. The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"), and these statements are filed with the relevant regulatory authorities in Canada. All monetary amounts are in Canadian dollars unless otherwise stated.

COMPANY OVERVIEW

Conquest Resources Limited is a mineral exploration company engaged in the exploration and development of mineral properties in Ontario. The Company also maintains a claim to two minerals properties in Zimbabwe. The Company's principal exploration target is gold. Conquest is a reporting issuer in Ontario, British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol CQR.

In 2002, Conquest optioned the **Alexander Property** located in the Red Lake mining camp. Conquest has subsequently earned an undivided 100% interest in the Alexander Property. A 2% net smelter royalty was reserved at the time of option during 2002 by the previous owner, a holding company, which is controlled by the present Chairman of Conquest. Conquest is the sole operator of the Alexander Property.

In 2002, Conquest optioned two separate claim groups located 200 kilometres northeast of Timmins, Ontario and known as the Aurora and **Sunday Lake** properties. The Company retained the Sunday Lake Property from the claim group, a 13 square-kilometre sized block consisting of three (3) mining leases and located approximately 7 kilometres due east of Detour Gold Corporations' open pit gold mine. Conquest's **Smith Lake Property** consists of six (6) patented mining claims and thirty-four (34) mining claims covering approximately 6,300 hectares of land located within the Missanabie-Goudreau Greenstone Belt in Leeson, Stover, and Rennie Townships in northern Ontario.

In the 2004 the Company entered into an option/joint venture agreement with KBG Minerals Corp. on the **King Bay Property** near Sturgeon Lake Ontario.

OVERALL PERFORMANCE

In 2013, Detour Gold conducted 19 kilometres of ground geophysics and completed six (6) exploration drill holes on Conquest's Sunday Lake Property as part of Detour Gold's commitment to expend a minimum of $1,000,000 to earn a 50% interest in the Sunday Lake Property.

The geophysical survey portion of Detour Gold's exploration program consisted of 16 kilometres of gradient Induced-Polarization ("IP") geophysics and three (3) kilometres of sectional IP on Conquest's property. In addition, 1,695 metres of exploration drilling in six (6) drill holes were completed following the completion of the geophysical survey. The final results of the drilling will be interpreted following the receipt of the assay results for the six holes drilled during the winter of 2013. Detour Gold has met its minimum expenditure of $1,000,000 to earn a 50% interest in Conquest's Sunday Lake Property. Any further exploration on the Sunday Lake Property will be conducted by the joint venture on a 50-50 basis with Detour Gold as operator.

In April 2013, Conquest completed an airborne electromagnetic ("EM") survey, under contract to Fugro Airborne Surveys (a division of Fugro Canada Corporation) over a twenty-eight (28) square-kilometre sized portion of Conquest's amalgamated claim block known as the Smith Lake Property that is located adjacent to the former Renabie gold mine in northern Ontario. This survey was designed to tie-on to the existing geophysical EM data that was acquired and released by the Ontario Geological Survey ("OGS") in June (2012) in order to provide complete EM coverage over the entire land package with the goal of targeting volcanogenic-hosted massive sulphide ("VMS") mineralization and structurally hosted gold deposits.

The Company continues to assess advanced-stage mining project opportunities arising from deflated market conditions across the industry with the objective of adding value to the Company and for which acceptable financing terms may be arranged. In the meantime, Conquest has suspended all Company financed drilling programs due to current market conditions.

PRIMARY MINERALS PROPERTIES OF THE COMPANY

ALEXANDER GOLD PROJECT

Conquest's Alexander Property lies immediately east of Goldcorp Inc.'s Red Lake and Campbell mines in the heart of the Red Lake Gold Camp and is almost completely surrounded by Goldcorp's land holdings. The Alexander Property is located within the important "Mine Trend" regional structure. Management believes that the Company holds one of the most prospective land positions in the Red Lake gold camp.

Conquest performed active drilling on the Alexander Property between August 2009 and October 2011. As of March 31, 2013, the Company had spent $6,211,000 on exploration on the Alexander Gold Project. The twenty-seven (27) patented mining claims that comprise the Alexander Property do not require any annual minimum expenditures, other than nominal property taxes.

Conquest's exploration activities on the project to date are summarized in a Technical Report dated November 22, 2012 which is available under the Company's profile at www.sedar.com. Recommendations for continued exploration are proposed in this report, which are summarized in the "Future Plans" section of this MD&A.

SUNDAY LAKE GOLD PROJECT

Conquest's Sunday Lake Property consists of 13 square kilometres of prospective mineral leases located along the Sunday Lake Deformation Zone approximately seven (7) kilometres east of Detour Gold's 15.6 million ounce open pit gold mine in northern Ontario.

In September 2010, Conquest entered into a joint venture agreement with Detour Gold on the Sunday Lake Property pursuant to which Detour had the right to earn a 50% interest in the Property. Under the amended terms of this agreement, Detour could earn its 50% interest in the Property by expending a total of $1,000,000 of exploration prior to September 30, 2013. Detour Gold undertook to complete the exploration in two phases.

During phase one, a total of seven (7) exploration drill holes were completed by Detour Gold during 2011 which totaled 1,647 metres of drilling at prioritized target sites that were defined by Detour Gold's compilation of historical work conducted on the property and by Detour Gold's induced polarization geophysical survey (2011) and MMI (Mobile Metal Ion) soil geochemical program over the claim group.

Phase two was completed during the 2013 winter season and consisted of 19 kilometres of gradient and sectional IP geophysics and 1,695 metres of drilling on the Sunday Lake property. Assay results are pending. The final results of the drilling will be interpreted following the receipt of the assay results for the six holes drilled during the program.

SMITH LAKE GOLD PROJECT

Conquest's Smith Lake Property consists of six (6) patented mining claims and thirty-four (34) mining claims covering approximately 6,300 hectares of land located within the Missanabie-Goudreau Greenstone Belt in Leeson, Stover, and Rennie Townships in northern Ontario. The property is 100% Conquest owned and is contiguous with the former International Corona Resources Renabie Gold Mine which produced more than 1,000,000 ounces of gold from 1941 through 1991 (at which time the mine was officially closed) from reported reserves of approximately 6 million tonnes at an average grade of 6.6 grams per tonne gold and 2 grams per tonne silver.

During August and September 2011, a total of 1,109 metres of exploration drilling in ten (10) holes were drilled on the Smith Lake patented claims. Of a total 318 samples collected from the core, 30 samples returned anomalous assays ranging from 0.25 gpt to 63.3 gpt gold over 0.22 to 1.50 metres in core length thickness.

A significant gold intersection grading 63.3 grams per tonne (gpt) of gold over 0.28 metres within a mineralized quartz vein was located in the first drill hole (CSL-11-001) of the program. While conducting its drilling program, Conquest uncovered and trenched a mineralized zone of significant width comprised of folded quartz veining over six metres in true thickness where gold mineralization appears consistently elevated.

During February through April 2012, Conquest completed a winter-spring drilling program at Smith Lake comprising a total of 2,652 metres of exploration drilling in twenty-three (23) holes designed to target east-west and north-south oriented structures near the northern extension of the north-south oriented Braminco Shear Zone at sites with coincident structural and Mobile Metal Ion ("MMI") surface geochemical anomalies on Conquest's patented claim group.

In June 2012, the OGS released a geophysical data set containing a compilation of local and regional airborne magnetic and electromagnetic geophysical data for the area covering 70% of the newly amalgamated Conquest land package in the Renabie area. In April 2013, Conquest undertook to acquire EM data over the remaining portion of the amalgamated claim block by completing an airborne EM survey, under contract to Fugro Airborne over the southern portion of claim block. This survey provided was flown on a nominal line spacing of 200 metres along north-south oriented flight lines in order to provide complete EM coverage over the entire land package. The EM data is currently being interpreted with the goal of targeting volcanogenic-hosted massive sulphide ("VMS") mineralization and structurally hosted gold deposits.

SCHEDULES OF DEFERRED EXPLORATION EXPENDITURES

FOR THE THREE MONTHS ENDED MARCH 31, 2013 AND 2012

Exploration Properties - Schedule of Deferred Exploration Expenditures
For the three month periods ended March 31, 2013 and 2012

	Alexander		Sunday Lake		Smith Lake		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Geology, geophysics and geochemist	-	1	-	-	54	14	54	15
Drilling	-	-	-	-	-	452	-	452
Assays, laboratory	-	-	-	-	-	3	-	3
Travel and accommodation	-	8	-	-	-	15	-	23
Equipment, property lease and other	2	2	1	4	2	55	5	61
Total additions	2	11	1	4	56	539	59	554

FUTURE PLANS

Conquest is currently focused on advancing the exploration activities at the Company's three Ontario based properties.

ALEXANDER GOLD PROJECT

The Technical Report filed on the Alexander Property in November 2012, recommends that additional work be conducted to: "(a) establish and drill test targets through a compilation of existing exploration drilling, geophysics, and geochemistry; (b) follow-up previous geophysical work conducted by Goldcorp on the Alexander Property and the adjacent mine properties; (c) conduct geochemical surveys on the ground and using existing drill core to establish new drill hole targets; and, (d) research and conduct a modern bore-hole EM and IP geophysical survey that utilizes the 2009, 2010, and 2011 drill holes which have been maintained for this purpose" (extract from the Technical Report– November 21, 2012).

The Company intends to undertake these recommendations when financing on terms acceptable to the Company is available or when equity markets allow for the issuance of shares without undue dilution or in such circumstances where a qualified joint-venture partner emerges.

SUNDAY LAKE GOLD PROJECT

Detour Gold has met its minimum expenditure of $1,000,000 to earn a 50% interest in Conquest's Sunday Lake Property. Any further exploration on the Sunday Lake Property will be conducted by the joint venture on a 50-50 basis with Detour Gold as operator.

SMITH LAKE GOLD PROJECT

A property-scale geophysical interpretation is underway covering the amalgamated claim block which has identified several target areas that have been marked for mapping and sampling during the summer field season. Additional targets are expected from the preliminary results of this ongoing interpretation.

QUALIFIED PERSON AND TECHNICAL REPORT

Benjamin Batson, P. Geo., Vice President Exploration of Conquest Resources Limited, is the Company's Qualified Person for the purposes of National Instrument 43-101 and has approved the technical disclosures within this MD&A.

A technical report entitled "Technical Report on Exploration at the Alexander Gold Project in Red Lake, Ontario" dated November 21, 2012 by Benjamin Batson, P. Geo of Conquest, was filed on SEDAR and may be viewed under the Company's profile at www.sedar.com.

RESULTS OF OPERATIONS

The Company recorded no revenue in the three month periods ended March 31, 2013 or 2012.

For the quarter ended March 31, 2013, the Company recorded losses of $286,000 ($0.003 per share); compared to a loss of $111,000 ($0.001 per share) for the three month period ended March 31, 2012.

Administrative expenses for the quarter ended March 31, 2013 amounted to $66,000, compared to $112,000 for the three month period ended March 31, 2012.

The loss in the quarter ended March 31, 2013 included a loss to market value on the marketable securities of $220,000, including a loss on disposal of $38,000 on 4,500 Detour Gold shares. During the same period in 2012, the Company recorded a gain to market of $1,000 on disposal of 19,500 Detour Gold shares.

SUMMARY OF QUARTERLY RESULTS (IFRS)

Summary of Quarterly Results - IFRS

	Q2 2011 ($000's)	Q3 2011 ($000's)	Q4 2011 ($000's)	Q1 2012 ($000's)	Q2 2012 ($000's)	Q3 2012 ($000's)	Q4 2012 ($000's)	Q1 2013 ($000's)
Net Income/(loss)	(439)	(39)	(91)	(111)	(296)	242	(212)	(286)
Net income/(loss) per share - Basic and diluted	(0.005)	(0.000)	(0.001)	(0.001)	(0.003)	0.003	(0.002)	(0.003)
Total assets	9,555	9,497	9,073	8,988	8,647	8,863	8,652	8,410
Working Capital	3,055	2,739	2,095	1,468	1,016	1,249	1,025	680

- The second quarter 2011 includes $84,000 share-based payments and $273,000 loss on the market value of marketable securities.
- The third quarter 2011 includes $48,000 gain on disposal of marketable securities.
- The fourth quarter 2011 includes $152,000 loss on the market value of marketable securities, $19,000 gain on disposal of marketable securities and $118,000 change in deferred income taxes.
- The second quarter 2012 includes $218,000 loss on the market value of marketable securities.
- The third quarter 2012 includes $330,000 gain on the market value of marketable securities.
- The fourth quarter 2012 includes $115,000 loss on the market value of marketable securities and a deferred income tax recovery of $102,000.
- The first quarter of 2013 includes $220,000 loss on the market value of marketable securities.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2013, the Company had cash of $12,000 and held $741,000 in marketable securities. At March 31, 2013, the Company had a working capital surplus of $680,000, compared to a surplus of $1,025,000 at December 31, 2012.

During the period, the Company sold 4,500 Detour Gold Corporation shares for gross proceeds of $95,000, at March 31, 2013, the Company held 37,940 Detour Gold shares.

Total assets decreased to $8,410,000 at March 31, 2013 from $8,652,000 at December 31, 2012. Accounts payable and accrued liabilities increased to $90,000 at March 31, 2013 from $46,000 at December 31, 2012.

At March 31, 2013, the Company had mineral properties with a total book value of $7,640,000. In considering the carrying value of the mineral properties presently held, the Company has considered near future follow-on prospecting and drilling programs, compilation data, existing proximate commercial mines and as yet un-interpreted data, and has determined that primarily because of the strategic location of the Company's properties adjacent to current or formerly producing gold mines, no impairment is appropriate at this time. The balance sheet values may not represent that which could be obtained if the properties were to be offered for sale at this time.

At March 31, 2013, the Company has not achieved profitable operations, has an accumulated deficit since inception and expects to incur further losses in the development of its business. The Company will need to generate additional financial resources in order to fund its planned exploration programs and continue as a going concern. There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms. There are no assurances that the Company will continue to obtain additional financial resources and/or achieve positive cash flows or profitability. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and exploration activities.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

Related party transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Amounts paid and accrued include the following expenditures which were incurred with directors and officers of the Company, corporations with directors and/or officers in common with the Company, and corporations controlled by directors and/or officers of the company.

	March 31 2013 ($000's)	March 31 2012 ($000's)
Salaries and fees	33	88
Equipment rental	-	9
Office and general	4	4
	37	101

No fees were paid by the Company to directors for their services as directors of the Company in the years ended March 31, 2013 or March 31, 2012. Directors' remuneration comprises of administration, geological, investor relations and legal services provided by persons or corporations controlled by persons who are directors.

During the period ended March 31, 2013, the Company made payments or accrued a total of $37,000 to related parties, including $8,000 to Steenberglaw Professional Corporation, a company controlled by Neil J.F. Steenberg, Director and Secretary, for legal fees; $10,000 to Benjamin Batson, Officer, for geology services; $15,000 to Robert Kinloch, Director, for management services; and $4,000 to Labrador Iron Mines Holdings Limited, a company with common directors, for office rent.

Included in accounts payable at March 31, 2013 is $26,000 payable to these related parties. Such amounts were due on demand, unsecured and non-interest bearing.

COMMITMENTS AND CONTINGENCIES

On December 14, 2009, the Company and its directors were served with a Statement of Claim on behalf of the estate and family of the contractor involved in an accident at the King Bay project. The estate is claiming damages of $1,000,000 for alleged negligence and breach of contract and each of the four plaintiff family members are claiming $1,500,000 for alleged loss of care and companionship pursuant to the Family Law Act of Ontario. The Company denies any negligence or breach of contract on its part and has referred the Claim to its insurers who have engaged counsel to defend the action. The Company's joint venture partner, KBG Minerals Corporation, and the supervisor of the project are also defendants in the action. The claim against the Company's directors and officers was dismissed by order of the Court on June 14, 2010. The Company is unable at the current time to determine the likelihood, or quantum, of any potential damages against the Company and no provision has been made in these consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities, if any. The Company's management makes assumptions that are believed to be reasonable under the circumstances and that are based upon historical experience, current conditions and expert advice. These estimates are reviewed on an ongoing basis for updated information and facts. The use of different assumptions would result in different estimates, and actual results may differ from results based on these estimates.

The following is a discussion of the accounting estimates that are considered by management to be significant in determining the Company's financial results and position:

MINERAL PROPERTY INTERESTS

The Company reviews capitalized costs on its mineral properties on a periodic basis and will recognize impairment in value based upon current exploration or production results, if any, and upon management's assessment of the future probability of profitable revenues from the property or from sale of the property. Management's assessment of the properties estimated current value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review. These assessments are based on opinions, estimates and assumptions and are subject to risks and uncertainties, including geological and exploration risks.

ADOPTION OF NEW ACCOUNTING STANDARDS

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2013 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company. For further details, please refer to note 3 of the December 31, 2012 audited consolidated financial statements.

RISK FACTORS

In conducting its business, Conquest faces a number of risks common to the mining and exploration industry. These risk factors are described in the Company's annual MD&A (2012) filed March 30, 2013, and are summarized below. There are also certain specific risks including those listed below, associated with an investment in the Company and prospective investors should consider carefully these specific risk factors associated with an investment in the Company.

STAGE OF DEVELOPMENT

All of the Company's properties are in the exploration stage. There can be no assurance that the Company will be able to develop and operate any of these projects profitably, or that its activities will generate positive cash flow.

Exploration and development of minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of ore. Hazards such as unusual or unexpected formations and other conditions are involved.

The development of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of processing equipment, proximity of the necessary infrastructure, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The exact effect of these factors cannot be accurately predicted.

ADDITIONAL FINANCING/GOING CONCERN

The Company's ability to continue exploration and development of its properties will be dependent upon its ability to raise additional financing. No assurances can be made that the Company will be able to raise such additional capital.

The Company has not achieved profitable operations, has an accumulated deficit since inception and expects to incur further losses in the development of its business. The Company will need to generate additional financial resources in order to fund its planned exploration programs and continue as a going concern. There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms. There are no assurances that the Company will continue to obtain additional financial resources and/or achieve positive cash flows or profitability. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and exploration activities.

DEPENDENCE UPON KEY PERSONNEL

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, including in particular its Chairman and its President. The loss of services of any of its management could have a material adverse effect on the Company. The Company does not maintain key man insurance on any of its management.

LAWS AND REGULATIONS

The Company's mining and exploration activities may be affected by the extent of the country's political and economic stability and the nature of government regulation relating to the mining industry and foreign investors therein. Changes in regulation or shifts in political conditions are beyond the control of the Company and may adversely affect its business and its holdings. In addition, mining operations may be affected by government regulations with respect to production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

INSURANCE

The Company may become subject to liability for cave-ins, environmental impacts or other hazards of mineral exploration and production against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. Payment of such liabilities would reduce funds available for acquisition of mineral prospects or exploration and development and would have a material adverse effect on the Company's financial position. The directors of the Company know of no such liability pending or otherwise at this time.

ADEQUATE LABOUR

The Company will depend upon recruiting and maintaining other qualified personnel to staff its operations. The Company believes that such personnel currently are available at reasonable salaries and wages in the geographic areas in which the Company intends to operate. There can be no assurance, however, that such personnel will always be available in the future. In addition, it cannot be predicted whether the labour staffing at any of the Company's projects will be unionized, resulting in potentially higher operating costs.

GOLD OR OTHER METAL PRICES

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain commodities and specifically gold as well as the capitalization of the Company and the general receptiveness of the markets to junior equities.

The price of gold, as well as other precious and base metals, has experienced some volatility over short periods of time and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (including the U.S. dollar relative to the Canadian dollar and other currencies), interest rates, global or regional consumption patterns, speculative activities and increases in production due to improved mining and production methods. The supply of and demand for gold and other precious and base metals are affected by various factors including political events, economic conditions and production costs in major mineral producing regions.

FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

FAIR VALUE

The carrying amounts for cash and cash equivalents, restricted cash, marketable securities amounts receivable and accounts payable and accrued liabilities on the consolidated statements of financial position approximate fair value because of the limited term of these instruments. The marketable securities are stated at the quoted market value.

INTEREST RATE RISK

The Company has cash and cash equivalent balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by major Canadian banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

CREDIT RISK

Credit risk is the risk that a client or vendor will be unable to pay or receive any amounts owed or owing by the Company. Management's assessment of the Company's risk is low as it is primarily attributable to funds held in Canadian banks.

COMMODITY PRICE RISK

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals, particularly gold.

LIQUIDITY RISK

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2013, the Company had cash and cash equivalents of $12,000 to settle current liabilities of $90,000. The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. Other financial liabilities arise from the issue of flow-through shares and are reversed once exercised.

MARKET RISK

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company is exposed to these risks as the ability of the Company to develop or market its properties and the future profitability of the Company is related to the market price of certain minerals.

CAPITAL RISK

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain and explore its mineral properties. The capital structure of the Company consists of shareholders' equity.

SENSITIVITY ANALYSIS

The Company has designated its cash equivalents and marketable securities as fair value through profit or loss, which are measured at fair value. Cash, restricted cash and amounts receivable are classified as loans and receivables, which are measured at amortized costs. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As at March 31, 2013, the carrying value of the Company's financial instruments approximate their fair value.

Cash equivalents are invested in investment-grade short-term deposit certificates. At March 31, 2013, the Company had no cash equivalents invested.

Based on management's knowledge and experience in the financial markets, sensitivity to a plus or minus 10% change in the share price of marketable securities, based on the quoted market price at March 31, 2013, would affect net income by plus or minus $74,000.

As at March 31, 2013, the Company did not hold any material balances in foreign currencies that would give rise to exposure to foreign exchange risk.

FAIR VALUE HIERARCHY AND LIQUIDITY RISK DISCLOSURE

The fair value hierarchy have the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). At March 31, 2013, the Company's financial instruments that are carried at fair value, consisting of marketable securities have been classified as Level 1 within the fair value hierarchy.

OUTSTANDING SHARE CAPITAL

The Company has unlimited authorized share capital of a single class of common shares of which, at March 31, 2013 and May 30, 2013, 95,477,728 common shares were issued. Each common share entitles the holder to one vote. The common shares rank equally for dividends and for all distributions upon dissolution or wind up.

At March 31, 2013 and at May 30, 2013, the Company had 10,000,000 share purchase warrants outstanding with an expiry date of December 30, 2013. At March 31, 2013 and at May 30, 2013, 4,300,000 share options were outstanding, issued pursuant to the Company's Stock Option Plan.

ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.conquestresources.net.

The Company reports its financial information in Canadian dollars and all monetary amounts set forth herein are expressed in thousands of Canadian dollars unless specifically stated otherwise.

FORWARD-LOOKING STATEMENTS

This management's discussion and analysis contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

May 30, 2013